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LEGISLATIVE HISTORY

Public Law 1018 - 84th Congress

Chapter 1027 - 2nd Session

H. R. 8750

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INDEX AND SUMMARY OF H. R. 8750

January 24, 1956	Rep. Poage introduced H. R. 8750 which was referred to Agriculture Committee. Print of bill.
February 20, 1956	Committee ordered reported H. R. 8750 with amendment.
February 23, 1956	Committee reported with amendments H. R. 8750. House Report 1810. Print of bill and report.
April 24, 1956	House passed H. R. 8750 as reported.
April 25, 1956	H. R. 8750 referred to Senate Public Works Committee. Print of bill.
July 16, 1956	Senate Committee reported H. R. 8750 with an amendment. Senate Report 2585. Print of bill and report.
July 20, 1956	Senate passed H. R. 8750 with amendments. Senate conferees appointed.
July 21, 1956	House conferees appointed.
July 23, 1956	Conferees agreed to file report.
July 24, 1956	House received conference report. House Report 2902. Print of report.
July 25, 1956	Both Houses agreed to conference report.
August 7, 1956	Approved: Public Law 1018.

Hearings were held on H. R. 8750 by the Senate Committee on Public Works on July 3, 1956.

Section 13. Establishes a working Capital Fund for furnishing supply and equipment services in support of programs of the Forest Service.

Public Law 984 (H. R. 5881) SMALL RECLAMATION PROJECTS ACT OF 1956 (approved August 6, 1956). Supplements the Federal reclamation laws by providing for Federal cooperation in non-Federal projects, and for participation by non-Federal agencies in small Federal reclamation projects in the 17 Western States. Each project is limited in cost to \$5 million or less, with certain exceptions. Authorizes the appropriation of \$100 million to carry out the provisions of the Act.

Public Law 989 (S. 2585) RESEARCH LAND EXCHANGE AND CONEROSS WATERSHED PROJECT (approved August 6, 1956). Authorizes the exchange of a small parcel of land which is a part of the Agricultural Research Center at Beltsville, Maryland, for a privately owned tract of land adjoining the research center. Exempts the proposed Coneross Watershed project, South Carolina, from the usual congressional review as required by the Watershed Protection and Flood Prevention Act.

Public Law 990 (S. 3831) WEST VIRGINIA FISH HATCHERY (approved August 6, 1956). Authorizes the Secretary of the Interior to establish a new fish hatchery in West Virginia (will provide fish for stocking the waters of the national forests and other streams in the State).

Public Law 992 (S. 3101) CROOKED RIVER RECLAMATION PROJECT (approved August 6, 1956). Authorizes construction by the Secretary of the Interior of the Crooked River Federal reclamation project, Oregon.

Public Law 993 (S. 3227) LITTLE WOOD RIVER RECLAMATION PROJECT (approved August 6, 1956). Authorizes construction by the Secretary of the Interior of the Little Wood River reclamation project, Idaho.

Public Law 1001 (H. R. 9396) EXEMPTION OF GUAR SEED FROM IMPORT DUTY (approved August 6, 1956). Amends the Tariff Act of 1930 so as to exempt from duty the importation of guar seed into the U. S. or certain of its possessions.

Public Law 1006 (S. 4203) AMENDMENTS TO ATOMIC ENERGY ACT OF 1954 (approved August 6, 1956). Amends this Act to clear up certain difficulties in the operations of the Atomic Energy Commission. Authorizes the Commission to make grants to colleges and universities for reactors for education and training purposes (such as food sterilization reactors). Transfers administrative control over all Federal land within Los Alamos, County, New Mexico, to the Commission, including such lands within the Santa Fe National Forest.

Public Law 1016 (S. 3732) FEDERAL FLOOD INSURANCE ACT OF 1956 (approved August 7, 1956). Authorizes the Housing and Home Finance Agency to carry out an insurance, reinsurance, and lending program in connection with flood damage. Limits outstanding loans to \$2,000,000,000 with authority for the President to increase this amount by \$500,000,000 in any one fiscal year. Limits outstanding insurance policies and reinsurance agreements to \$3,000,000,000 with authority for the President to increase this amount by \$2,000,000,000 if deemed advisable. Requires the Housing and Home Finance Agency and this Department to coordinate the administration of their respective programs relating to flood insurance and reinsurance for agricultural commodities. Provides that, where the Agency's program may affect flood-control works under the jurisdiction of other Federal agencies, such agencies shall cooperate with HHFA in coordinating their respective programs. Authorizes HHFA, in providing insurance or reinsurance under the Act, to use and pay for the services of other public agencies. Prohibits insurance or reinsurance under this Act if insurance is available on reasonable terms from other public or private sources. Authorizes the Agency to enter into contracts to provide that, in case

of flood damage, the Agency will guarantee any public or private financing institution against loss of loans and, if loans are not available from such institutions, the agency will make flood-damage loans.

Public Law 1018 (H. R. 8750) AMENDMENTS TO WATERSHED PROTECTION AND FLOOD PREVENTION ACT (approved August 7, 1956). Modifies the Watershed Protection and Flood Prevention Act (Public Law 566, 83rd Congress) as follows:

Broadens the definition of works of improvement to include measures not only for agricultural purposes as presently authorized by Public Law 566, but also for non-agricultural purposes such as municipal and industrial water supplies and streamflow regulation.

Increases to 25,000 acre-feet the total capacity provided by any one structure which may be included in a watershed work plan, but retains the existing five thousand acre-feet limitation on the capacity provided by any one structure for flood prevention purposes.

Exempts from review by other Federal agencies and from transmission to the Congress watershed work plans involving an estimated Federal contribution to construction costs of \$250,000 or less and not containing any single structure which provides more than 2,500 acre-feet of total capacity.

Requires the approval by resolutions of certain Committees of Congress of watershed work plans transmitted to the Congress, as a condition to the appropriation of funds.

Eliminates the 15-day waiting period after watershed work plans are transmitted to the Congress.

Provides for the preparation of plans and estimates necessary for adequate engineering evaluation.

Provides for allocations of costs to the various purposes.

Requires local organizations to bear such proportionate share of the costs of installing works of improvement for irrigation, drainage, and other agricultural water management as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits.

Requires local organizations to assume all of the cost of installing works of improvement for purposes other than flood prevention and agricultural water management.

Requires the Federal Government to bear the entire construction cost of works of improvement applicable to flood prevention and features relating thereto.

Provides that water users, as well as landowners, shall acquire needed water rights.

Provides that local organizations shall submit to the Secretary satisfactory plans for repayment of loans or advancements.

Requires local organizations to secure private engineering services satisfactory to the Secretary for projects which include structures providing for municipal or industrial water supplies.

Gives local organizations the option of either securing private engineering services or using the engineering services of employees of the Federal Government for projects not providing for municipal or industrial water supplies.

Requires the Secretary to reimburse the local organization for the cost it incurs for private engineering services.

Authorizes the Secretary to contract for private engineering services for local organizations.

Authorizes the Secretary to make advances to local organizations to pay for private engineering services not to exceed five per cent of the estimated total cost of works of improvement.

Authorizes the Secretary to make loans or advancements to local organizations to finance local costs for periods of up to fifty years at the Federal long-term borrowing rate, with provision that no such loan or advancement shall exceed \$5 million for any one project.

Extends the provisions of Public Law 566 to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

Extends the benefits of these amendments to projects which the Secretary has previously become authorized to participate in the installation of works of improvement.

Provides that any watershed work plans with respect to which the Secretary has previously become authorized to participate in the installation of works of improvement or which have been previously approved by Congressional committees under Public Law 566, need not be resubmitted to the committees under the provisions of these amendments.

Public Law 1020 (H. R. 11742) HOUSING ACT OF 1956 (approved August 7, 1956). Amends and extends various housing laws. Amends the Housing Act of 1949 so as to authorize the Secretary of Agriculture to issue notes and other obligations for purchase by the Secretary of Treasury for the purpose of making loans for constructing or improving farm dwellings and other farm buildings. Limits the total principal amount of such notes and obligations which may be issued during the 5 year period ending June 30, 1961 to \$450 million. Amends the U. S. Housing Act of 1937 so as to authorize the Public Housing Administration to transfer, under certain conditions, farm-labor camps to local public housing agencies.

Public Law 1021 (H. R. 11833) GREAT PLAINS CONSERVATION PROGRAM (approved August 7, 1956). Provides authority for the Secretary of Agriculture to formulate a conservation program for the Great Plains area and to enter into ten-year contracts with farm and ranch operators under which producers would agree to a schedule of land-use adjustments and the necessary conservation measures which should be carried out in connection with these adjustments. Such contracts shall be in effect during the period ending not later than Dec. 31, 1971, on farms and ranches in counties in the Great Plains area of the States of Colo., Kan., Mont., Nebr., N. Mex., N. Dak., Okla., S. Dak., Tex., and Wyo., designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors. Authorizes the appropriation without fiscal year limitation of a maximum of \$150 million for the entire program exclusive of its administrative costs, but provides that not to exceed \$25 million may be expended on the program in any one year. Provides that funds made available for the program may be expended without regard to the maximum payment limitation and small payment increases required under section 8 (e) of the Act, and may be distributed among the States without regard to distribution of funds formulas of section 15 of the Act. Provides that the program authorized shall be in addition to and not in substitution of other programs in the area. Amends section 334 of the Agricultural Adjustment Act of 1938, as amended, beginning with the 1957 wheat crop, to provide, under certain conditions, that if the county committee determines that any producer is prevented from seeding wheat for harvest as grain in his usual planting season because of unfavorable weather conditions, the entire wheat allotment for such year shall be regarded as wheat acreage for the purposes of establishing future State, county, and farm acreage allotments.

Public Law 1024 (S. 3275) FISH AND WILDLIFE ACT OF 1956 (approved August 8, 1956). Establishes in the Interior Department the position of Assistant Secretary for Fish and Wildlife and the position of Commissioner of Fish and Wildlife. Creates a Fish and Wildlife Service in the Department, consisting of two separate agencies to be known as the Bureau of Commercial Fisheries and the Bureau of Sports Fisheries and Wildlife. Requires the transfer to Interior of all functions of the Agriculture Department and other agencies, as determined by the Budget Bureau to relate primarily to the development, advancement, management, conservation, and protection of commercial fisheries. Makes permanent the provision for transfer of certain section 32 funds from Agriculture to Interior, and provides that such sums shall be available until expended.

PRIVATE LAWS

Private Law 672 (H. R. 3964) KINGAN, INCORPORATED (approved May 28, 1956). Authorizes the Secretary of Agriculture to pay \$13,095.82 to Kingan, Incorporated, of Richmond, Virginia, in full settlement for claims of the company against the U. S. for the destruction of swine infected and exposed to the contagious disease vesicular exanthema.

Private Law 707 (H. R. 8041) CLYDE R. STEVENS (approved June 25, 1956). Authorizes the Secretary of Agriculture to pay \$13,539.06 to Clyde R. Stevens, of San Antonio, Texas, in full settlement for his claims against the U. S. for the destruction of swine infected and exposed to the contagious disease vesicular exanthema.

Private Law 719 (S. 3945) WALTER C. JORDAN AND ELTON W. JOHNSON (approved June 29, 1956). Authorizes the Secretary of the Treasury to pay \$303 to Walter C. Jordan, of Pryor, Oklahoma, and \$67 to Elton W. Johnson, of Chelsea, Oklahoma, borrowers of the Farmers' Home Administration, for the replacement of two abstracts of title and duplicates of two mortgagee's title insurance policies which were destroyed in transit in the mails.

Private Law 802 (H. R. 10010) ROY CLICK AND CHARLIE GARDENER FORD (approved July 24, 1956). Authorizes the Secretary of Agriculture to pay \$836 to Roy Click, of Wichita Falls, Texas, and \$566.12 to Charlie Gardener Ford, of Huntsville, Texas, in full settlement for their claims against the U. S. for the destruction of swine infected and exposed to the contagious disease vesicular exanthema.

Private Law 803 (H. R. 10011) JESS GARY (approved July 24, 1956). Authorizes the Secretary of Agriculture to pay \$3,398.14 to Jess Gary, of Wichita Falls, Texas, in full settlement for his claims against the U. S. for the destruction of swine infected and exposed to the contagious disease vesicular exanthema.

Private Law 804 (H. R. 10199) A. O. NISSEN AND DON NISSEN (approved July 24, 1956). Authorizes the Secretary of Agriculture to pay \$14,250.32 to A. O. Nissen and Don Nissen, San Antonio, Texas, in full settlement for their claims against the U. S. for the destruction of swine infected and exposed to the contagious disease vesicular exanthema.

Private Law 805 (H. R. 11346) CAMILLUS BOTHWELL JETER (approved July 24, 1956). Directs the Secretary of Agriculture to convey, without consideration therefor, to Camillus Bothwell Jeter, of Whitmire, South Carolina, all right, title, and interest of the U. S. to about 2.02 acres of national forest land, acquired by the U. S. by reason of a surveying error.

Private Law 833 (H. J. Res. 642) LAND TRANSFER TO HOME DEMONSTRATION CLUB (approved August 1, 1956). Authorizes the Secretary of Agriculture to quitclaim about 3 acres of land to the Home Demonstration Club of Rena Lara, Mississippi.

Private Law 857 (H. R. 3062) PAUL H. SARVIS (approved August 3, 1956). Authorizes the Secretary of the Treasury to pay \$1,431 to Paul H. Sarvis, of Sylacauga, Alabama, in full settlement for his claims against the U. S. for failure of the U. S. to pay the agreed purchase price under a purchase agreement for certain grass seed.

Private Law 873 (S. 2419) DR. ANTON M. LODMELL (approved August 6, 1956). Authorizes the Secretary of the Treasury to pay \$138.40 to Dr. Anton M. Lodmell, of Walla Walla, Washington, in full satisfaction of his claims against the U. S. for the use of his land by the Forest Service as a temporary road construction camp.

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AMENDING THE WATERSHED PROTECTION AND
FLOOD PREVENTION ACT

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON PUBLIC WORKS
UNITED STATES SENATE
EIGHTY-FOURTH CONGRESS
SECOND SESSION

ON

H. R. 8750

AN ACT TO AMEND THE WATERSHED PROTECTION
AND FLOOD PREVENTION ACT

JULY 3, 1956

Printed for the use of the Committee on Public Works



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AMENDING THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

TUESDAY, JULY 3, 1956

UNITED STATES SENATE,
COMMITTEE ON PUBLIC WORKS,
SUBCOMMITTEE ON FLOOD CONTROL, RIVERS AND HARBORS,
Washington, D. C.

The subcommittee met in room 412, Senate Office Building, at 10:15 a. m., Senator Robert S. Kerr (chairman of the subcommittee) presiding.

Present: Senators Kerr, Case, and Hruska.

Senator KERR. We will now go to H. R. 8750.

I want to place in this record at this point copy of Public Law 566 along with a copy of H. R. 8750.

(Public Law 566 and H. R. 8750 are as follows:)

Public Law 566—83d Congress

Chapter 656—2d Session

H. R. 6788

AN ACT To authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of work of improvement for soil conservation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That erosion, floodwater, and sediment damages in the watersheds of the rivers and streams of the United States, causing loss of life and damage to property, constitute a menace to the national welfare; and that it is the sense of Congress that the Federal Government should cooperate with States and their political subdivisions, soil or water conservation districts, flood prevention or control districts, and other local public agencies for the purpose of preventing such damages and of furthering the conservation, development, utilization, and disposal of water and thereby of preserving and protecting the Nation's land and water resources.

SEC. 2. For the purposes of this Act, the following terms shall mean:

The "Secretary"—the Secretary of Agriculture of the United States.

"Works of improvement"—any undertaking for—

(1) flood prevention (including structural and land-treatment measures)

or

(2) agricultural phases of the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of total capacity. No appropriation shall be made for any plan for works of improvement which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, respectively. A number of such subwatersheds when they are component parts of a larger watershed may be planned together when the local sponsoring organizations so desire.

"Local organization"—any State, political subdivision thereof, soil or water conservation district, flood prevention or control district, or combinations thereof, or any other agency having authority under State law to carry out, maintain and operate the works of improvement.

SEC. 3. In order to assist local organizations in preparing and carrying out plans for works of improvement, the Secretary is authorized, upon application of local organizations if such application has been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over programs provided for in this Act, or by the Governor if there is no State agency having such responsibility—

(1) to conduct such investigations and surveys as may be necessary to prepare plans for works of improvement;

(2) to make such studies as may be necessary for determining the physical and economic soundness of plans for works of improvement, including a determination as to whether benefits exceed costs;

(3) to cooperate and enter into agreements with and to furnish financial and other assistance to local organizations: *Provided*, That, for the land-treatment measures, the Federal assistance shall not exceed the rate of assistance for similar practices under existing national programs;

(4) to obtain the cooperation and assistance of other Federal agencies in carrying out the purposes of this section.

SEC. 4. The Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall—

(1) acquire without cost to the Federal Government such land, easements, or rights-of-way as will be needed in connection with works of improvement installed with Federal assistance;

(2) assume such proportionate share of the cost of installing any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of anticipated benefits from such improvements: *Provided*, That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this Act;

(3) make arrangements satisfactory to the Secretary for defraying costs of operating and maintaining such works of improvement, in accordance with regulations presented by the Secretary of Agriculture;

(4) acquire, or provide assurance that landowners have acquired, such water rights, pursuant to State law, as may be needed in the installation and operation of the work of improvement; and

(5) obtain agreements to carry out recommended soil conservation measures and proper farm plans from owners of not less than 50 per centum of the lands situated in the drainage area above each retention reservoir to be installed with Federal assistance.

SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the Secretary is authorized to assist such local organizations in developing specifications, in preparing contracts for construction, and to participate in the installation of such works of improvement in accordance with the plan: *Provided*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: *Provided further*, That, at least forty-five days (counting only days occurring during any regular or special sessions of the Congress) before such installation involving Federal assistance is commenced, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan (a) which includes reclamation or irrigation works or which affects public or other lands under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall

be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least sixty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above sixty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army.

SEC. 6. The Secretary is authorized in cooperation with other Federal and with States and local agencies to make investigations and surveys of the watersheds of rivers and other waterways as a basis for the development of co-ordinated programs. In areas where the programs of the Secretary of Agriculture may affect public or other lands under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior is authorized to cooperate with the Secretary of Agriculture in the planning and development of works or programs for such lands.

SEC. 7. The provisions of the Act of June 22, 1936 (49 Stat. 1570), as amended and supplemented, conferring authority upon the Department of Agriculture under the direction of the Secretary of Agriculture to make preliminary examinations and surveys and to prosecute works of improvement for runoff and water-flow retardation and soil erosion prevention on the watersheds of rivers and other waterways are hereby repealed: *Provided*, That (a) the authority of the Department of Agriculture, under the direction of the Secretary, to prosecute the works of improvement for runoff and waterflow retardation and soil erosion prevention authorized to be carried out by the Department by the Act of December 22, 1944 (58 Stat. 887), as amended, and (b) the authority of the Secretary of Agriculture to undertake emergency measures for runoff retardation and soil erosion prevention authorized to be carried out by section 7 of the Act of June 28, 1938 (52 Stat. 1215), as amended by section 216 of the Act of May 17, 1950 (64 Stat. 163), shall not be affected by the provisions of this section.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

SEC. 9. This Act may be cited as the "Watershed Protection and Flood Prevention Act."

Approved August 4, 1954.

[H. R. 8750, 84th Cong., 2d sess.]

AN ACT To amend the Watershed Protection and Flood Prevention Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Watershed Protection and Flood Prevention Act (Act of August 4, 1954, 68 Stat. 666) is amended as follows:

(a) Strike out the third sentence of section 2 and amend the second sentence of said section to read: " 'Works of improvement'—any undertaking for—

"(1) flood prevention (including structural and land treatment measures);

or

"(2) the conservation, development, utilization, and disposal of water in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of total capacity except structures proposed to be constructed by a local organization as an integral part of a watershed plan in which any capacity in excess of five thousand acre-feet is for purposes other than flood prevention and the construction cost of such excess capacity is to be borne entirely by the local organization."

(b) Section 4 of the Act is amended by striking out of the proviso in paragraph (2) the words "That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this Act;" and inserting "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention;"

(c) Section 5 of the Act is amended—

(1) by striking out the first proviso “, and in no event after July 1, 1956”;

(2) by inserting after the word “That” in the third proviso “, whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000”; and

(3) by inserting in the fourth proviso after the words “That any such plan” the words “involving an estimated Federal contribution to construction costs in excess of \$250,000” and after the words “public or other lands” the words “or wildlife”.

(d) Said Act is further amended by inserting after section 7 of the following two new sections and renumbering subsequent sections of the Act to conform:

“Sec. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

“Sec. 9. The provisions of the this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.”

Passed the House of Representatives April 24, 1956.

Attest:

RALPH R. ROBERTS, *Clerk*.

Senator KERR. I would like for the record to show that S. 3243 by Senator Carlson, S. 3371 by Senator Fulbright, and S. 3023 by Senator Clements will all be before the committee in its hearings and deliberation on H. R. 8750.

I am very happy at the attendance here this morning of representatives of the various Federal agencies and also our distinguished Senator friend from Colorado, and any other Members of the Congress who might be here.

There is great interest in the amendment of Public Law 566 so as to reflect the principle and, if possible, achieve the purposes as set forth in H. R. 8750 and these other acts of like or similar nature which have been introduced by various Senators.

Senator Allott, did you want to make a statement to the committee on this matter?

STATEMENT OF HON. GORDON ALLOTT, A UNITED STATES SENATOR FROM THE STATE OF COLORADO

Senator ALLOTT. If I could have just a few moments, Mr. Chairman, I would be very happy.

Senator KERR. You have it.

Senator ALLOTT. Senator Millikin, senior Senator from Colorado, and I have heretofore written you—

Senator KERR. And that letter is before the committee and will be made a part of the record.

(Letter of Senators Millikin and Allott of July 2, 1956, follows:)

UNITED STATES SENATE,
Washington, D. C., July 2, 1956.

HON. ROBERT S. KERR,

*Chairman, Subcommittee on Flood Control, Rivers and Harbors,
Senate Committee on Public Works,
Senate Office Building, Washington, D. C.*

DEAR SENATOR KERR: In connection with the hearings on H. R. 8750 scheduled before your subcommittee on July 3, we desire to submit for the record our views in support of the objectives of the proposed amendments to Public Law 566, dealing with small watershed projects.

Many thousand Colorado farmers are dependent upon irrigation for their livelihood. To many of these people Public Law 566 is one of the important laws on the statute books. We share the belief of these people that the small projects authorized by this law represent a desirable solution in the field of soil conservation.

The provisions of H. R. 8750 which would broaden the program beyond "agricultural phases" to allow municipal, nonagricultural participants as a part of these projects seem entirely reasonable and in the general public interest. The proposed amendment which would authorize projects in excess of 5,000 acre-feet if the excess capacity is for other than flood control, and the entire cost thereof is borne locally, also would appear to be helpful.

The soundness of providing long-term loans to local organizations for the purpose of financing their share of the projects would seem to have been established in connection with the larger reclamation projects. Also it should be hard to find fault with the proposal to extend the program to the territories. We would also favor unreservedly the objective of eliminating all unnecessary delay in the development and construction of these projects.

In short, we are pleased to support the principles of H. R. 8750. Within the confines of financial soundness, which we know the committee will analyze carefully, the revisions proposed by this bill will, we believe, be of great assistance in the development and preservation of this Nation's water resources, through realistic liberalization of the small watershed policy authorized by Public Law 566.

Your kindness in making this letter a part of the record of the hearings before your subcommittee will be sincerely appreciated.

Sincerely yours,

EUGENE D. MILLIKIN, U. S. S.
GORDON ALLOTT, U. S. S.

Senator ALLOTT. Thank you. I will stand primarily upon the statements made in that letter.

I would also like to request that certain letters which I have received—there are about 6 or 7 of them in behalf and support of this bill—be made a part of the record at this point, if I may.

Senator KERR. Very well.

Senator ALLOTT. I would request the reporter that these letters be returned to me.

(The letters referred to follow :)

COLORADO STATE GRANGE,
OFFICE OF THE MASTER,
Denver, Colo., June 28, 1956.

Senator GORDON ALLOTT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR ALLOTT: Colorado State Grange is very much in favor of Senate amendment 8750 to Public Law 566.

We understand you are having a hearing on July 3 pertaining to this amendment, and we sincerely hope you will support it.

I plan to be in Washington the week of the 9th of July and will call on you at that time.

Thanking you, I am,

Yours very truly,

HENRY CHRISTENSEN, *Master*.

COLORADO ASSOCIATION OF SOIL CONSERVATION DISTRICTS,
Fort Collins, Colo., June 25, 1956.

Hon. GORDON ALLOTT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR ALLOTT: I have been advised that there will be a hearing regarding H. R. 8750 before Senator Kerr's subcommittee of the Public Works Committee on July 3.

As you know, H. R. 8750 is an amendment to Public Law 566. To facilitate the working of Public Law 566, the Watershed Protection Act, we must have the proposed amendment H. R. 8750.

Colorado is dependent upon irrigation in much of its farming area and the amendment I speak of will be of great assistance to Colorado. Also, the other parts of the amendment are needed in Colorado. As you are familiar with the needs of this State, I shall not go into further detail regarding H. R. 8750, but shall close with my request that, if at all possible, to appear before Senator Kerr's committee and with all possible support.

Very sincerely yours,

CLARENCE SVEDMAN, *President.*

UPPER WHITE RIVER SOIL CONSERVATION DISTRICT,
Meeker, Colo., June 13, 1956.

HON. GORDON ALLOTT,
United States Senate,
Washington, D. C.

DEAR SENATOR ALLOTT: The people of the Upper and Lower White River Soil Conservation Districts are strongly in favor of the Poage amendments (H. R. 8750) to the present small watershed bill. We feel that these amendments are most necessary to eliminate the redtape that now keeps these small watershed projects tied up in Washington.

We are also concerned with the recent attack made by the Corps of Army Engineers on the small watershed projects. We sincerely hope that these projects will remain under the supervision of the Soil Conservation Service and our locally administered soil conservation districts.

Sincerely yours,

HARRY S. COLEMAN, *President.*

FORT COLLINS SOIL CONSERVATION DISTRICT,
Fort Collins, Colo., June 27, 1956.

HON. GORDON ALLOTT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR ALLOTT: The Fort Collins Soil Conservation District has made several attempts on watershed protection projects under Public Law 566 as well as the small watershed pilot projects preceding passage of Public Law 566. We have been unable to work out financing arrangements for that part carried by the local people because of the inability to make beneficial use of water for irrigation.

We, therefore, feel that the amendments to Public Law 566, contained in H. R. 8750, are absolutely essential if Colorado and other semiarid States are to make any use of the small watershed flood prevention programs.

We sincerely urge that you appear before the Public Works Committee, United States Senate, and make every attempt to secure passage of H. R. 8750 during the present session of the Congress.

Very sincerely yours,

GEORGE E. WEAVER, *President.*

THE NATIONAL ASSOCIATION OF SOIL CONSERVATION DISTRICTS,
Mosca, Colo., June 25, 1956.

HON. GORDON ALLOTT,
Senate Office Building, Washington, D. C.

DEAR SENATOR ALLOTT: It is my understanding that hearings will be held July 3, before Senator Kerr's subcommittee of the Public Works Committee on H. R. 8750, amendment to Public Law 566, the small watershed law.

I again wish to emphasize the importance of the passage of this amendment to the agricultural interests of the United States, and particularly to the people of Colorado.

It is hoped that we may count on you to use your influence to see that this amendment is acted upon before Congress adjourns this session, and your favorable support of same when it comes before the Senate for a vote.

Sincerely,

L. B. CASSELMAN.

COLORADO ASSOCIATION OF SOIL CONSERVATION DISTRICTS,
Craig, Colo., June 26, 1956.

HON. GORDON ALLOTT,
Senate Office Building, Washington, D. C.

DEAR SENATOR: Public hearings before the appropriate Senate committee on H. R. 8750, an act to amend Public Law 566, will be held soon. This legislation, as you no doubt know, pertains to the revision of the Small Watersheds Act.

The people of our soil conservation district and Moffat County are very greatly concerned lest this legislation fails of enactment. To make Public Law 566 workable and really effective we need and request this amending H. R. 8750.

I believe Senator Kerr of Oklahoma is chairman of the Senate committee that will hold hearings on this legislation. We ask that you give your best efforts at these hearings and, of course, your favorable vote on the Senate floor.

Yours sincerely,

I. P. BECKETT,
President, Yampa Soil Conservation District.

COLORADO ASSOCIATION OF SOIL CONSERVATION DISTRICTS,
Padroni, Colo., June 27, 1956.

DEAR SENATOR: We thought that we were over the hill on the Poage amendment to Public Law 566. I received word through Clarence Svedman from NASCD that the Senate version is not so liberal. We sincerely request you appear at the July 3, hearing of the Kerr committee and explain to the boys of the Senate, that we in Colorado have such varying conditions that it is absolutely necessary to have more leeway in operation of Small Watershed Act.

Thanks.

D. B. BOSWELL, *President, Western Slope District.*

DEBEQUE, COLO., *June 27, 1956.*

DEAR SENATOR: Again I am writing you as a director on our State board of Association of Soil Conservation Districts and I think I represent the thought of most of the directors in my district. Although I am not as familiar with H. R. 8750 amendment to Public Law 566 I think it is a necessity for the best interests of the soil-conservation program in Colorado.

Sincerely,

RAY E. RIEKE,

Senator ALLOTT. May I add this: Mr. Chairman, I do not know of any single question which has come before this Congress which has raised such widespread interest as this particular bill and the other bills which are allied bills. My people, of course, as the chairman knows, have very much the same problems that his people have in his own State, and I think that accounts to a great degree for the interest which has been shown in this bill by the people of our State. We are very interested in it.

We believe that the real steps to conservation are going to come between providing incentive and ability for people to control the waters and the floods at the high levels, to conserve the water, and to prevent these runoffs which deplete the soil and also create canyons throughout the West.

Besides that I have nothing to add at this time except to say that we are very much in support of the bill.

Senator KERR. I would like to ask the Senator a few questions if I may.

You are aware of the adverse position taken by various departments of the executive branch of the Government with reference to H. R. 8750?

Senator ALLOTT. Not the particular positions that they have taken; no, sir. I know that there are some branches which are not in favor of H. R. 8750.

Senator KERR. Now, some of the matters that are going to be before us are going to be with reference to these questions: No. 1, the removal of limitation on size of the reservoirs as contained in Public Law 566. Do you have any comment to make on that phase of the legislation?

Senator ALLOTT. Let me say first with respect to the financial implications of such legislation I do not feel that I am qualified to speak on that particular end of it, but I will also add this: That I believe that there should not be any small limitation such as 5,000 acre-feet on these reservoirs; 5,000 acre-feet will cover a lot of them, but it will not cover a great many of those that—

Senator KERR. Then you favor removal at least of that limitation?

Senator ALLOTT. That is right; I do.

Senator KERR. You certainly favor the expansion of the program to include irrigation benefits where possible, and municipal and industrial water supply?

Senator ALLOTT. Very much so. To me, one of the most significant parts of this bill will be the expansion of that so that it will include joint municipal uses.

The bill as I read it now—and I would be happy to be corrected if I do not understand it—will provide that municipal uses above that would have to be financed by the municipality or whoever was creating it entirely.

Senator CASE. Well, Senator, do you mean by “financing” that they should advance the funds or that they should be liable for the additional costs on a reimbursement plan over a period of years?

Senator ALLOTT. Well, I am not thinking in terms of grant. I think they should be liable for it upon a reimbursement.

Senator KERR. But what the Senator is addressing himself to is one of the very pointed questions of this matter, and that is whether or not the municipality comes in at the beginning and pays for that part of it or whether they operate under the principle now applicable to irrigation users whereby the Federal Government would construct it and the municipality would agree to reimburse the Federal Government for part of their reservoir used for municipal water and do the reimbursement over a definite period of years with interest.

Senator ALLOTT. The latter point, Mr. Chairman, is the point of view which most nearly reflects my own. I do not see how in many instances municipalities can do that, that is, go in and finance it themselves.

Senator CASE. At the outset?

Senator ALLOTT. At the outset. If we are going to accomplish the double-barreled objective that I see as far as municipalities are concerned, which is to supply them with additional water and also to contribute to flood control and to the conservation of water and lands, I believe that we have to make it a reimbursable project as is the nature with irrigation projects.

I realize that this involves in a sense a new approach to what has been an old problem.

Senator CASE. We passed in the Senate last year a bill to authorize the Corps of Engineers to enter into contracts with the municipalities, to give the Corps of Engineers the same authority with respect to

projects constructed by them that the Bureau of Reclamation had for a long time on reclamation projects. Now, you would be in favor then of making these small watershed development projects comparable in that respect to what has been previously——

Senator ALLOTT. To the principle of the bill we adopted last year, yes.

Senator KERR. Now, another one of the elements of this legislation which will be subject to a good deal of discussion is identical in principal with the general flood-control law, and that is that this legislation would require the Federal Government to pay the entire cost of the flood control portion of the structure. Does that meet with your approval?

Senator ALLOTT. I will have to say that I have some very serious reservations on the flood control features, on having the Federal Government pay all of the flood control features of the bill.

Senator KERR. Who should pay them in your judgment?

Senator ALLOTT. It seems to me that the people who are involved should at the very least pay the bulk of those. I look at those, sir, in more or less the same light that one would look at a special improvement district.

Senator KERR. Well, now, you supported the Upper Colorado project.

Senator ALLOTT. Yes.

Senator KERR. The Federal Government would pay all of the flood control portion of that cost without reimbursement.

Senator ALLOTT. I believe they will, yes.

Senator KERR. Now, do you favor a different principle with reference to this project?

Senator ALLOTT. Well, Mr. Chairman, let me express this to you this way: I am not certain that is not a differentiation between a project of such great magnitude for example as the Upper Colorado River project. The payment of the flood control features by the Federal Government is a long, long recognized principle. I recognize that. I have never been certain in my own mind that it is completely justified.

Senator KERR. Let me say this to you——

Senator ALLOTT. I can say this—may I complete this thought?

Senator KERR. Sure.

Senator ALLOTT. That as far as the people in Colorado are concerned, while there are some who would like to have the flood control features completely borne by the Federal Government, the great portion of the people in Colorado are willing to undertake these projects upon the basis of simply being able to finance them and reimburse the Federal Government for them.

Senator KERR. What I started to say was that I favor and will do all I can to get a bill out of this committee which will include a provision whereby the Federal Government will follow the same principle in these reservoirs that it has traditionally followed in its entire history of flood control. And that is that the flood control portion of the cost be paid by the Federal Government.

I cannot reconcile in my own thinking a situation whereby a lot of people would get the benefits of a flood control project paid a hundred percent by the Federal Government so long as it was in one project, and then have another program coming along whereby a lot of people would get a similar benefit but have to pay for it

because there were not very many of them benefited by any single element of the program.

Senator ALLOTT. You have put your finger on the crux of the matter. The thing about which I do not feel qualified to testify is what the financial effects, ultimate financial effects, would be if we immediately got a widespread use of public works all over the country about which the Government was going to assume the complete financial responsibility. That is the matter that concerns me in this, and I think most of our people interested in this bill are also concerned with the same thing.

Senator CASE. Mr. Chairman, you spoke about what the Federal Government had done during the entire history of flood control legislation. Now, my memory is not perfect, and I have not looked this up, but it runs in my mind that in 1927 when I think the Federal Government went into the flood control business that at that time there was a definite requirement that the local community should furnish the rights-of-way and provide certain other local contributions.

Senator KERR. Now, that requirement is in this bill.

Senator CASE. But at the time that I first drove to Washington, when I was first elected to Congress, I came through Ohio, and I ate in a restaurant where the water had been up almost to the ceiling in that restaurant, and then I came on down here and I heard debates about the inability of those Ohio communities to furnish as much in the way of local contributions as had been required.

I recall a debate in the House of Representatives in which Tom Jenkins, still a Congressman from Ohio and one of the veterans, spoke of these Ohio communities who had gone bankrupt trying to meet these flood problems. And he was arguing for the position which the Congress did write in, I think, in perhaps it was the act of 1938, that the Federal Government would go further in providing these rights-of-way on the theory that the benefits extended farther downstream, and you could not have the project for the benefit of maybe a hundred miles downstream if you required every community all along the line to provide rigidly all the costs of rights-of-way and things of that sort.

So I think the Flood Control Act of about 1938 liberalized the position of the Federal Government in that respect.

Now, I believe that it is still the policy of the Corps of Engineers to ask for local contributions in the way of rights-of-way, rehabilitation of highways, roads, streets and bridges, and things like that when it sees that that is important to make a project feasible and when it seems to be a fair thing to do. I think they do that as a matter of discretion.

But I agree with the chairman that to the extent that the flood-control features are similar to the flood-control features for which the Federal Government pays in the larger projects, the Federal Government ought to make a contribution on the smaller projects.

I think a line, however, might be drawn where the benefits are particularly assessable and applicable to a single or a huge beneficiary or they can be directly assessable that some judgment and discretion should be applied.

Senator ALLOTT. Mr. Chairman, on that subject, I was trying to draw this line here. I am thinking particularly in terms of where

the so-called flood benefits are essentially benefits to one, two, or a few people or a small area. Now, I can think in my own State of many such instances. In other words, are you going to go—I do not mean you personally—but are we going to think in terms of this so that the Government is going to finance one or more dams on everyone's land, all of which are flood control or may be properly termed "flood control," and would that obligate the Government to undertake such a program not once but maybe many times on the lands of a single individual?

In other words, I want to point up what the Senator from South Dakota was hinting at, which in my opinion presents a very serious problem. I can——

Senator KERR. I recognize that it is a very serious problem.

Senator HRUSKA. Mr. Chairman——

Senator KERR. Yes, Senator Hruska.

Senator HRUSKA. May I ask the Senator from Colorado if we presuppose a situation where the construction of one of these dams would benefit one landowner as distinguished from a general benefit distributed throughout the countryside, would not that present a much different situation than some of the situations we have in the construction of these dams where many landowners may be distantly removed but would be benefited from the construction of that dam?

Senator ALLOTT. Well, I think so. It really is not true that it would ever benefit just one landowner.

Senator HRUSKA. I understand, but if we accept that hypothesis.

Senator ALLOTT. If you accept that, I think your situation would be true. Because actually what may happen is that you may have an area which receives heavy rains—gully-washers, as we call them out in the West—and maybe you will have only 4 or 5 landowners there who are affected by it. It may do great damage within that area, not just this year but next year. And you may see the effects of that erosion on every hand. However, by the time it leaves that area it may have reached the reaches of streams which are then capable and able to handle it without having any flood damage actually to anyone below that.

Senator HRUSKA. Now, if that hypothetical situation which I gave could be envisioned, would there not be somewhere between there and the upper Colorado storage project a vast range which would encompass situations where benefits could be computed as being conferred within a relatively small area and therefore the cost of the construction of the project could be equitably charged to that relatively small number of people? That situation would be different from large dams which would be of general benefit to the entire countryside extending maybe hundreds of miles; is that not true?

Senator ALLOTT. I do not think there is any question about that. I can think of one area that in my own mind—I went over it last summer, and it affects possibly 30 or 40 families. And I believe it is controlled below that. Now, there you have a limited matter. I can think of other particular places——

Senator KERR. Now, let's take that situation.

Senator ALLOTT. Where only one is interested in it.

Senator KERR. Let's take that situation where there are 30 families.

Senator ALLOTT. I would say 30 to 40, just taking a rough guess.

Senator KERR. Just take a hypothetical situation of 30 families. And let's say the project there would cost \$300,000. That would be \$10,000 a family. Now, my judgment is that the cost of the upper Colorado when applied to all the families benefited would not exceed \$10,000 a family.

Senator ALLOTT. Are you speaking just of the flood-control feature?

Senator KERR. Yes. Now, what I cannot do, as far as I am concerned, is to ride to the conclusion that if you build a \$300,000 project that benefits 30 families you ought to charge them \$10,000 apiece, but if you have got a \$30 million project that benefits—

Senator ALLOTT. 300,000 would it be?

Senator KERR. I think it would be 30,000 families. I do not want to get lost here in the maze of mathematical comparisons. But assuming that it was 30,000 families, why should you do something for 30,000 families for nothing and refuse to do it for 30 families—if they are in a similar position and you are going to carry on a similar project and work on a similar program?

Senator ALLOTT. The chairman loves to do what I like to do in arguing, and that is to draw in from the extremes and show things that make it look very bad. And there is a great deal of merit in what he says. I do not know what the answer is in between. It occurs to me that there is an area here, however, in which the benefits may not in a sense be completely public, and this is in the lower end of the scale where the elements are not public but more in an individual sense.

I would come back at the chairman and answer his question this way: How would you control, if you go into such a thing, the building of, say, 5 dams on my land, which essentially is going to protect me from flood but which does not essentially affect other people except maybe 2 or 3 or 4 families?

Senator KERR. Well, the first thing I would do in responding to that would be to ask you to illustrate a situation by a place, and I think that it would be difficult to find. But if it were found, I would say that I would see no reason to discriminate against one individual as contrasted to 2 or 4 or 40 or 1,000.

It occurs to me that in a certain field of flood control the Federal Government has validated the principle of responsibility for the cost of prevention of floods. But I intended to develop this along the line that if you were going to impose upon 1 or 10 or 20 families all or a portion of that flood-control cost, would you do it by compelling them to advance the money or would you do it on the basis of letting them have the same opportunity to reimburse any cost imposed upon them along the same line as is now available to those in an irrigation district or as is proposed with reference to a municipality here with reference to the part of the cost allocable to the storage of the water for that municipality?

Senator ALLOTT. Would there be any objection to permitting both?

Senator KERR. There surely would not be any objection if he is going to make it on a reimbursable basis to giving him a privilege to pay for it at the start. But if they are going to pay for the flood control cost, why have the Federal Government do it? Why have the Federal Government build it if one man, if this one man—

Senator ALLOTT. Maybe I have given the wrong impression; I feel that the Federal Government does have a responsibility in this. The

one end of the spectrum, so to speak, that worries me is if the Federal Government covers—there are probably people who can testify to this more adequately than I, but if the Federal Government is going to embrace this whole field, how is it going to avoid building dams on the lands of almost every farmer and rancher in your State or mine or any other place?

In other words, is it not going to encompass such a huge program that the financial aspects of it preclude it?

Senator KERR. Well, I want to tell you that the passage of this act, if passed in line with the recommendations before the committee, will certainly carry the Federal Government a much greater part of the distance between its present posture and the one you have described.

Senator ALLOTT. I think that is right, sir.

Senator KERR. The passage of this act is going to take us more than halfway between where we are now and the situation you describe, in my judgment. But, of course, the other answer to the question is that that matter is not before the committee.

And don't misunderstand me. I am not seeking to embarrass my good friend from Colorado. I am just exploring with him the elements that are going to be before this committee in the consideration of this bill.

Senator ALLOTT. That is correct, and I recognize those elements. I am concerned about them, because, being from a country such as I am—

Senator KERR. And such as I am in the western part of Oklahoma.

Senator ALLOTT. And such as you are.

Senator KERR. And our friends from Nebraska and South Dakota.

Senator ALLOTT. And such as these two people.

Senator KERR. Yes.

Senator ALLOTT. I recognize the implied situation that might come, for example, through western Nebraska, western South Dakota, a good portion of Oklahoma and a good portion of Colorado. We might easily have an application for the building of these flood-control projects on individual farms and individual small—rather than use "individual" I will use "very small units"—in such quantities that the financial implications of it are just beyond the imagination. And I do not seek to avoid any answer on the thing, but I do not have an answer to it.

Senator HRUSKA. Mr. Chairman, may I ask this further question of the Senator from Colorado. The way I understand Public Law 566 now and as envisioned in H. R. 8750, it would still be incumbent upon the individual projects of this kind to furnish the land and the easements, the rights-of-way, and the maintenance, and these other things which are heretofore furnished. Now, in some instances the cost of those elements is great, so great that it puts an undue burden on the people within that project to pay for construction of the dam.

As I understand further, this Public Law 566 does give discretion to the Department of Agriculture to sort of alleviate that situation and put less of a burden of actual construction on those people in that situation, recognizing I presume in theory that this is a common problem and it is one that should be met and where those burdens are too great the people should be relieved in portion.

However, in many situations those costs for rights-of-way and easements and those preliminary measures are relatively light, and in the interest of imposing some degree of responsibility on the people who participate, the cost of construction is added a little to their bill so that they feel some responsibility and so on.

Does that theory and do those provisions in Public Law 566 more nearly measure up to your thinking and to your sympathy than the other extreme which would put the entire cost of construction on the Federal Government?

Senator ALLOTT. Well, I think so. I think there has to be a degree of flexibility in here. If you take the other extreme—and I am no authority in fiscal matters—but if you take the other extreme I do not see how the United States Government could hope to ever get appropriations enough to do the work that would be demanded.

Senator HRUSKA. Not that it is worth very much, but I wanted to say that that is my personal thinking as one member of the committee as of this time. I will try to keep my mind open because we have hearings coming here, but philosophically and in general thinking I would subscribe to that idea.

Senator KERR. Are there other questions or any further statement from the Senator?

Senator ALLOTT. No, Mr. Chairman. I just say this in conclusion and then I must excuse myself. I feel and I know that the committee has a very, very difficult decision to make in this area which we have just been discussing, and I am not unmindful of it at all. It occurs to me that there are some areas where the Government should not assume all of the expense. And how that line shall be drawn is something that I believe this committee will only produce after rather complete hearings and probably after a lot of discussion.

I thank the Senator and the members of the committee for the opportunity of being heard.

Senator KERR. Thank you.

Senator CASE. Mr. Chairman, may I ask just one question of the Senator from Colorado? I invite your attention to page 2 of H. R. 8750, lines 15 to 18, where it is proposed to amend section 4 of the existing act by striking out certain language and then inserting:

That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention.

Would you think that we could get better language for that if we were to make it permissible for the Federal Government to assume the cost of the flood-control features? As I read it, that seems to me a prohibition.

Senator ALLOTT. I believe this is mandatory. I do not think there is any question about that.

Senator KERR. That prohibition is with reference to the construction cost of structural measures.

Senator ALLOTT. Yes.

Senator CASE. I would like to know whether that is on all fours with our general flood-control law. I think that the Army engineers can accept contributions from local organizations where it seems desirable to make a feasible project.

Senator KERR. Well, yes, and under this bill the local element will furnish rights-of-way and operate and maintain the project.

Senator CASE. I think as a matter of policy it might be all right, but as to the strict prohibition I would say not.

Senator KERR. I think the Senator has a very constructive thought there. It would occur to me, to get the benefit of it from the standpoint of getting more projects on the basis of being economically feasible, that there should be a proviso that would in certain conditions permit local participation where economic justification could not otherwise be established.

Senator CASE. The local people in some instances would feel that they could make the project feasible by a small contribution——

Senator KERR. Yes.

Senator CASE. And they would do it. But if it had to stand entirely on its own from a Federal standpoint they might not.

Senator ALLOTT. I might point out, Mr. Chairman, since the question was directed to me, a peculiarity of the language of this proviso. It would appear, when it says that the Secretary shall not require local organizations to assume any part of the construction cost of structural measures, that that is a mandatory requirement. However, if you will read that more carefully, it says the Secretary shall not require. It means that he shall not require it as a prerequisite.

Senator CASE. It lets him accept it?

Senator ALLOTT. But it might imply he could accept it. But the language is susceptible of construction the other way I believe.

Senator KERR. Now, the present law states that the——

Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall acquire without cost to the Federal Government such land, easements, or rights-of-way as will be needed in connection with works of improvement installed with Federal assistance and assume such proportionate share of the cost of installing any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of anticipated benefits from such improvements.

Senator ALLOTT. What has that percentage been running? Can anyone answer that?

Senator KERR. What's that?

Senator ALLOTT. What has that percentage been running? I went into this matter last fall——

Senator KERR. Mr. Brown is here.

Senator ALLOTT. What has been the policy on that?

Mr. CARL BROWN. Well, sir, on the total cost of construction of structural measures the percentage of local contribution has been about 32 percent in projects planned to date. That includes the cost of the land, easements and rights-of-way and the capitalized value of operation and maintenance. On the cash contribution to cost of construction it has been about 17 percent on the projects thus far planned. And what this bill, H. R. 8750, would do would be to eliminate this 17 percent.

Senator HRUSKA. Mr. Brown, is that an overall average, that 17 percent?

Mr. BROWN. Yes, sir. That is an average on the first 30 projects that have been planned, of which 24 have been submitted to the Congress.

Senator HRUSKA. Could you tell us what the range is in those percentages?

Mr. BROWN. Yes, sir.

Senator HRUSKA. This is construction of the structures that I am talking about.

Mr. BROWN. Yes, sir. The contribution to construction cost has ranged from a low of 10 percent to a high of about 50 percent for flood prevention features.

Senator CASE. But the average is about 17?

Mr. BROWN. About 17 percent, Mr. Senator.

Senator CASE. Mr. Chairman, I think that this brings out the point I was trying to get at, and I do not think that we ought to make a mandatory prohibition here or a mandatory requirement that would be inconsistent with the general flood control act.

Senator KERR. Very good.

Anything further from this witness?

Senator ALLOTT. Thank you. I appreciate very much being here.

Senator KERR. If there are no further questions, I want to put in a statement by my distinguished colleague, Senator Monroney, on H. R. 8750.

(The statement of Senator Monroney is as follows:)

STATEMENT OF SENATOR A. S. MIKE MONRONEY

Mr. Chairman, my senior colleague, members of the subcommittee, when I first came to Congress as a Member of the House almost 18 years ago, the term "flood prevention" was virtually unheard. Instead, we spoke about "flood control," which was indicative of the fact that most of us thought in terms of trying to control floods after they occurred, and not in terms of preventing floods before they occurred.

The accepted concept of flood control was to build giant dams, levees, floodways, etc., on the lower reaches of the main-stem rivers. Gradually it became apparent that we could not build the levees high enough, or straighten the channels fast enough to control flooding by rushing the water to the sea in raging streams that carried away our precious topsoil. Something else was needed to complement our main-stem flood control efforts.

In the early 1940's a new idea began taking shape. Instead of facilitating the flow of rainfall from the hillsides to gullies, creeks, and tributary rivers into the already swollen main streams to be rushed to the sea, why not control the water where it fell, not after it fell?

The idea was advanced that floods could be reduced efficiently and economically by trapping water on upstream tributaries, where over half of all flood damage occurs, by building small detention dams, deflectors, gully plugs, diversion ditches, and other improvements to minimize downstream flood conditions which farmers and landowners for the most part could do themselves.

I was convinced that the idea had merit and was unquestionably sound. When it was proposed to try out this new approach on a few selected representative watersheds, I gave the legislation my wholehearted support and was successful in getting the Washita, a river which flows across the district I was then representing, included as 1 of the 11 watersheds on which this rather revolutionary experiment would be tried.

Entire watersheds on the Washita have been completed, and the experiment is succeeding beyond the wildest expectations of even those of us who were the most enthusiastic advocates. Mr. Chairman, you have personally inspected this work and know far better than I could express what has been accomplished. You know, too, of the tremendous support the watershed treatment program has among soil conservation districts, farmers, and others genuinely interested in water and soil conservation.

With positive proof that floods could be reduced efficiently by upstream prevention, I felt that the program ought to have more than the 2 or 3 pennies out of every flood-control dollar it was getting. Early in the 83d Congress, I reintroduced a bill I had introduced earlier to establish a temporary commission to investigate the costs and effects of watershed programs for flood control in agricultural watersheds. My purpose was to dramatize the results attained by the watershed program and spotlight the fact that it was not receiving proper credit and recognition at appropriation time.

While my bill was never acted on, 3 years ago the Soil Conservation Service started 60 "pilot" projects to show that local people could and would take the initiative in meeting their flood problems. One year later the Congress confirmed upstream prevention as a national policy by passing Public Law 566, which H. R. 8750, the bill you now have before you, seeks to amend.

I am very proud of Public Law 566 and of the fact that I was the only Senator among the sponsors who was not a member of the Agriculture Committee.

When President Eisenhower signed the legislation into law, he said: "This act recognizes by law for the first time the great importance of upstream watershed protection * * * For the first time, also, this act provides a broad program of Federal technical and financial assistance to such local watershed groups as are willing to assume the responsibility for initiating carrying out and sharing the costs. * * *"

I felt when Public Law 566 was passed that it was not perfect and that it left a lot to be desired. However, I was more than willing to take anything we could get because the most important objective at the time was to get positive Federal recognition of the importance of upstream watershed protection, and we accomplished that.

What has happened in the nearly 2 years since Public Law 566 signed? On June 8, less than a month ago, the Secretary of Agriculture announced approval of the first locally initiated watershed project under the law. In his announcement Secretary Benson commented on this as "opening the way for prompt action on one of the most important resource conservation developments this Nation has ever undertaken."

Thirteen watershed projects have finally been approved, but there are at least 16,500 small watersheds in this country, involving well over 680 million acres, urgently needing treatment for upstream flood prevention, and it looks like most of them will be wanting the Soil Conservation Service to plan a project for them. As of yesterday, SCS had received approved applications from 541 watersheds, all of which have cleared through a State approving agency before being sent to Washington. Many more are in process. No one knows how many hundreds more are being generated out in the hills.

Now that the success of the program, the need and the demand for it have been demonstrated, changes in the law are urgently needed if we ever expect to keep pace with the rapidly increasing backlog of applications.

Under present law, Federal aid is limited to watersheds no larger than 250,000 acres. No dams holding more than 2,500 acre-feet can be built without specific approval of the Senate and House Agriculture Committees. Local organizations must provide the needed land, easements, rights of way and must pay a share of the installations costs of any works. A project submitted by a local group has to run the gamut of a State approving agency, the SCS, the Secretary of Agriculture, the Secretary of the Army or the Secretary of the Interior if the plan includes floodwater detention structure or irrigation works, and the Office of the President. If the plan gets that far, it still goes to Congress for possible disapproval if it involves more than 2,500 acre-feet capacity, or wait 45 days if it does not. I understand that in addition the Bureau of the Budget and the Department of Agriculture have added to the strictures with a pile of rules and regulations 1 inch thick by actual measurement.

H. R. 8750 would go a long way toward relieving the backlog of applications that is rapidly piling up on the desks of the SCS, and at the same time broaden the scope of the law and make it more equitable for the local cooperators. The basic principle of the act, however, would remain unchanged.

If amended as proposed by H. R. 8750, the Secretary of Agriculture could assist local organizations in carrying out multiple-purpose water- and land-management programs rather than one confined exclusively to flood prevention and agricultural water management. This means that municipal and industrial water supply, recreation, fish and wildlife improvement, and pollution abatement could be included. These are recognized features of reclamation acts and similar legislation and certainly there seems no justification for not including them in the Small Watershed Act.

The amendments also permit the planning of structures of more than 5,000 acre-feet if they are an integral part of a watershed plan in which the capacity in excess of 5,000 acre-feet is for purposes other than flood prevention. The costs of any capacity in excess of 5,000 acre-feet would have to be borne entirely by the local group. In some cases it would be unrealistic to impose a firm 5,000 acre-feet limitation, and since the beauty of the watershed program lies in the fact that it can be tailored to fit the needs of individual areas, this amendment should be accepted.

A very important provision of H. R. 8750 is the one which would require the Federal Government to bear the total construction costs of flood prevention structures. The conservancy districts are required to acquire all lands, easements and rights-of-way, bear the full cost of their operation and maintenance, and agree to carry out recommended soil-conservation measures on at least 50 percent of the lands above the drainage area of any reservoir. I am in full accord with the House position that these requirements alone represent an equitable sharing of costs. The present requirement that local organizations bear a part of this cost is in many cases the one single factor preventing the carrying out of a watershed program. It should be eliminated.

Much progress in eliminating the delay in handling of the small projects, which will constitute the bulk of the applications for assistance, could be made by adopting the amendment that they not be submitted to Congress if the Federal contribution does not exceed \$250,000. SCS estimates that in 50 to 70 percent of the projects, the Federal contribution will not exceed \$250,000, but if this amendment is not accepted, they will still have to lie before the appropriate committees of the Congress for 45 days before actual operations could start. The SCS should be given discretion on these small-scale projects.

I want to mention here that a number of applications are now pending before the committees, and others will probably be received in the immediate future. The chances are that Congress will have adjourned before the 45-day waiting period is up, which means these approved projects will have to wait until after the new Congress convenes next year. This seems to me to be a useless and uncalled for delay. It has not been possible to get them to Congress sooner since the program is just getting started, and while none of these is in Oklahoma, I feel some special provision should be made just this one time for automatic approval of the projects pending before the committees at adjournment. With the program rolling now, this situation will probably not arise again.

Of major importance is the amendment authorizing the Secretary of Agriculture to make long-term loans to local organizations to finance the local share of costs. As you know, there is no present provision of law whereby loans for this purpose can be made to local groups. Inquiry was made of the Farmers Home Administration as to the availability of financial assistance under the Water Facilities Act in connection with one of the watershed projects in Oklahoma. It was the decision of FHA that authority does not exist under that act to make such a loan.

The inability of local groups to raise a rather large cash contribution, along with the requirement that they bear a part of the cost of flood detention structures, has been a major deterrent to the active planning of many watershed projects. These loans would be repaid over a period of 50 years at the going Government interest rate. The REA electric and rural telephone cooperatives have made the best record of loan repayment in history, and there is no reason to doubt that the Federal Government would not get a full return on its investment in local watershed groups.

Under this amendment, municipalities would also be eligible for loans. Water is a serious problem in most of the Western States, and adoption of this amendment would be of tremendous assistance to many of the smaller communities in solving their water problems. This ties in with the section 2 amendment which would permit the development of municipal and industrial water supplies. I sincerely hope this loan authority will be accepted. In addition to giving local groups badly needed assistance, it will be a lifesaver for communities which cannot justify or afford a single-purpose water storage project. There are a number of communities in Oklahoma now awaiting the final outcome of this legislation in the hope that they can at last provide an adequate source of water supply at a reasonable cost.

In conclusion let me say that H. R. 8750 has virtually the unanimous support of soil conservation districts in Oklahoma. My files are jammed with letters from every section of the State strongly urging that the Senate approve this House-passed bill. To their pleas, I add my own, and strongly urge that you favorably report this bill so final action may be had prior to adjournment of Congress.

I will not take your time by reading them, but I wish to add here for the record excerpts from a few of the many letters I have received in support of H. R. 8750.

From the Noble County Soil Conservation District: "In our judgment, the Poage amendments to the Flood Prevention Act of 1954 will materially aid and benefit the whole progress of conservation, especially upstream flood control."

From the Valliant Soil Conservation District: "H. R. 8750 would be a big improvement."

From the Creek County Soil Conservation District: "We definitely want to see passage of the Poage bill, H. R. 8750, which will greatly improve the program that can be carried out under Public Law 566."

From Little Deep Fork Soil and Water Conservation Association: "We are vitally interested in the passage of the Poage bill, H. R. 8750 * * *."

From the Wewoka Creek Water & Soil Conservation Association: "We are happy to know that Congress has realized the impediments in Public Law 566, * * * (and now plans to amend it as proposed in H. R. 8750.)"

Senator KERR. We will now hear from Senator Frank Carlson.

STATEMENT OF HON. FRANK CARLSON, A UNITED STATES SENATOR FROM THE STATE OF KANSAS

Mr. CARLSON. Mr. Chairman, I appreciate very much the privilege of appearing before this subcommittee in behalf of proposed amendments to the Watershed Protection and Flood Prevention Act.

There are several bills pending before this committee proposing amendments, one of them being Senate 3243, which I introduced on February 20 of this year. As these bills deal generally with the same subject matter, I would urge the committee to use H. R. 8750, a bill that passed the House of Representatives earlier this session, in order that we might secure completed congressional action this year.

The proposed amendments are the result of 2 years experience in the field with the Hope-Aiken Water Facilities Act, which was approved in the 83d Congress.

It is my personal opinion that there can be no legislation with more far-reaching benefits than legislation that deals with the control of water run-off at its source. It is my personal opinion that the future development of our Nation, and I know definitely the State of Kansas, will be largely determined by the amount of water we can conserve and use for conservation and beneficial utilization.

Our State, as many States in the Midwest, has periods of excessive rainfall which results in floods and then we have period of subnormal rainfall which results in severe droughts and water shortages. We are now going through one of the latter periods. Lack of water for livestock, irrigation, and municipal purposes is causing grave concern in many areas.

The Hope-Aiken bill approved in the 83d Congress authorized the establishment of pilot projects for the purpose of determining the value of complete control of water runoff on watersheds. While it is true that watersheds already completed or under construction are small in area, they have proved valuable for this purpose.

We in Kansas have six of these projects. They are being constructed by the State Soil Conservation Service in cooperation with the Federal Government and local organizations. They have demonstrated and are demonstrating the true value of this type of work.

I enthusiastically support and urge the committee to approve legislation that will greatly expand this program.

1. One of the proposals in the pending legislation provides that local organizations shall not be required to assume any part of the construction costs of structural measures applicable to flood prevention.

This amendment is designed to substantially equalize cost sharing in the watershed protection and flood prevention program with that provided for in the flood control acts, reclamation acts and similar legislation.

Since 1938 Congress, by legislative enactment, has provided for the construction of dams and reservoirs for flood control and reclamation whose cost is completely borne by the Federal Government.

It is my contention that dams and reservoirs built under this program, which are of sufficient size to be of value for flood protection, should receive the same consideration.

Many farmers write me that in the soil and water conservation program, a number of the dams are of such size and the reservoirs are of such capacity that they are unable to finance their construction. This amendment would relieve that situation and greatly increase the benefits of the entire program, not only for flood control, but for the impounding of water that is of great value in our State.

Even if this amendment were adopted, the local organizations would still be required to acquire all lands, easements and rights-of-way and to assume the full cost of their operation and maintenance.

2. One of the amendments that I heartily endorse permits the building of dams with a capacity in excess of 5,000 acre-feet if the capacity in excess of that figure is for purposes other than flood prevention and the construction cost of such excess capacity is borne entirely by the local cooperating organizations.

This would permit municipalities and other taxing units who need to expand or replenish their water supply to cooperate in this program of control of water runoff for securing water for beneficial uses.

It is my contention that these amendments with others proposed in the pending legislation could operate without conflict with other programs for soil conservation, control of water runoff at its source, flood control and reclamation.

3. Another amendment provides for long-term loans at the Government rate of interest to local organizations for the purpose of financing their share of the cost of these programs.

The pilot projects that we have constructed have demonstrated that the overall cost runs into rather substantial figures and the benefits are of long-range value. This, I believe, warrants the Federal Government setting up a plan of financing at low interest rates for the construction of these projects that could be amortized over a period of 10, 20 or more years.

4. Our experience with these projects has demonstrated that great delay is encountered in securing approval of small projects by Congress.

This bill provides that projects for which the Federal contribution is \$25,000 and less should not be required to have congressional approval.

This amendment is important in that it would eliminate much red tape and delay in this important program.

Mr. Chairman, again I cannot express too strongly my personal interest in this legislation, and urge immediate action by the committee so that we may secure complete Congressional approval before this session of Congress adjourns.

Senator KERR. Is Congressman Lester Johnson of Wisconsin here?

Mr. JOHNSON. Yes, sir.

Senator KERR. Come around, Congressman.

Prior to that, I want to insert in the record a statement by Senator Earle Clements in support of legislation to amend Public Law 566,

and also statements by Senator W. Kerr Scott and Senator Wallace F. Bennett.

(The statements of Senator Clements, Senator Bennett, and Senator Scott follow:)

STATEMENT OF SENATOR EARLE C. CLEMENTS

Mr. Chairman and members of the subcommittee, I appear today specifically in support of S. 3023, the bill the late Senator Barkley and I introduced, but I want to say at the outset that I have no pride in authorship and I am not interested in seeing my name on any legislation finally enacted. My primary interest and objectives go to the principles involved in this legislation, for I feel that we are charting a course which the Nation ought to follow in the handling of water as a great natural resource.

Furthermore, I want to say that since the introduction of S. 3023 my further study of this subject and the problems which we seek to remedy have convinced me that five amendments to that bill are needed.

These amendments are designed primarily to guarantee: (1) That benefits from projects proposed for construction under this act will exceed the costs; (2) that there will be a satisfactory review and coordination of the program with other Federal agencies involved in related activities; and (3) that there will be retained the principle that Congress will review each project before any Federal funds are expended for construction.

Legislation on this subject has been passed by the House of Representatives in the form of H. R. 8750, which is now before this subcommittee. This measure has good points, and it should be passed if the Senate is not willing to give attention to what I consider to be some other important considerations and principles that are contained in S. 3023 as I propose to amend it.

In this connection, I would like to call attention to the fact that the Senate and House and their conferees have approved H. R. 5881, and that legislation would provide benefits to the people of 17 Western States where the Federal reclamation laws apply which would not be provided to other States under H. R. 8750. I have sought through S. 3023 and the amendments I propose to make benefits available to the people of other States comparable to those provided under H. R. 5881. I am confident that Congress desires to deal as fairly with the other 31 States as it has with the 17 Western States.

I would like to add that there are a number of reasons why I have reached the conclusion that Congress should maintain close scrutiny of the small watershed program to be carried out through the Department of Agriculture. The first is that this is a relatively new program, and firm policies for its administration have not been developed. The appropriation which has been made for fiscal year 1957 will make possible the submission of only a small number of projects, and it will be no major task for congressional committees to review them. Congressional review also can mean, in my judgment, that Congress can provide much more flexibility in the consideration of benefits which may arise from these projects without the risk of administrative determinations that would push the program into areas where Congress may not feel it should go. Finally, it is my belief that Congress wants complete coordination of related programs, and needs an opportunity to determine whether the administration is providing such coordination.

Here I would like the subcommittee's permission to insert in the record the five suggested amendments to which I referred above, and hereafter in my statement address my remarks to S. 3023 as it would be changed by these amendments.

(1) On page 2, beginning with line 10, strike out down through line 14, and insert in lieu thereof the following:

"(2) to make such studies as may be necessary for determining the physical, financial, and economic soundness of plans for works of improvement, including a determination as to whether benefits exceed costs;";

(2) On page 2, beginning with the proviso in line 19, strike out down through line 25, and insert in lieu thereof the following:

"*Provided further*, That the Secretary shall assume that part of the construction costs allocable to agricultural phases of the conservation, development, utilization, and disposal of water which is equal to the present worth of the interest that would accrue on a loan for such construction costs over a period of 50 years, whether or not a loan is made to the local organization under the provisions of

section 8 of this Act. The rate of interest shall be determined as provided in section 8 of this Act ;”.

(3) On page 3, beginning with line 10, strike out down through line 12, and insert in lieu thereof the following :

“(2) the Secretary has determined that the benefits exceed the costs and that the works of improvement are financially feasible; and”.

(4) On page 3, beginning with line 16, strike out all through line 3 on page 4, and insert in lieu thereof the following :

“(b) Upon receipt of an application for works of improvement which (1) includes reclamation or irrigation works or which affects public or other lands under the jurisdiction of the Secretary of the Interior, or (2) includes Federal assistance for floodwater detention structures, a brief description of the application and of the proposed works of improvement shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his information and review. Final plans for any such works of improvement shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least sixty days prior to transmission of such plans to the Congress through the President. The views and recommendations of the Secretary of the Interior or the Secretary of the Army, if received by the Secretary prior to the expiration of the above sixty-day period, shall accompany the plan transmitted by the Secretary to the Congress.”

(5) On page 4, beginning with line 4, strike out down through line 13, and insert in lieu thereof the following :

“(c) The Secretary shall, at least sixty days (counting only days occurring during any regular or special session of the Congress) before beginning construction on or entering into any contract for the construction of works of improvement, submit to the appropriate committee of each House of the Congress the plan for such works of improvement. The Secretary may begin construction on or enter into contracts for the construction of any works of improvement before the passage of such sixty-day period, if within such period each such committee expresses approval of such works of improvement by committee resolution. If within such period either such committee expresses disapproval of such works of improvement by committee resolution, and notifies the Secretary in writing of such expression of disapproval, the Secretary shall not commence construction on or enter into any contract for the construction of such works of improvement, unless the Congress by concurrent resolution approves such works of improvement.”

One of the greatest problems facing our Nation today in the field of natural resources concerns our use and treatment of water. There are many evidences of it. I would mention here the increased public interest in a pure water supply, which has culminated in the passage of a more comprehensive Water Pollution Control Act by both Houses, and which has just been approved in conference; the widespread interest in making more effective the small watershed program; the passage by both Houses of an improved small reclamation projects bill; an increased concern on the part of the public in such problems as the lowering of the water table; an increasing alarm because of seasonal shortages of water in many areas of the country; and the ever growing consumption and demands placed upon our present water supply. In my judgment, much of our future economic prosperity and security will in large part depend upon how well we manage and utilize our water resources.

When Public Law 566 was adopted, it was adapted to meet one phase of the interest in water. It was adapted to satisfy the public interest in the need for a proper utilization and retardation of water on our smaller streams in the small watersheds in the interest of agriculture. By so limiting this program to the agricultural phases of the development of our water resources, we are actually preventing an opportunity to provide solutions to many water problems not directly connected with agriculture and a full utilization of this resource. We are compounding these other water problems by deferring them to some future program when it would be much more costly to modify projects already constructed. S. 3023 would remove the restriction that works of improvement be limited to agricultural phases only of the conservation, development, utilization, and disposal of water, and thus prevent costly omissions in the utilization of the water resources in our small watersheds.

In my many contacts with potential small watershed projects, and in discussing water resources development in the small watersheds, it has become apparent to me that what was intended under Public Law 566 as an equitable cost-sharing formula actually would permit an administrative practice of allocating costs on projects which has little uniformity, and which gives a priority of construction

to those projects in areas where the local organization is in the best financial position to bid for a project by offering to contribute a sizable share of the cost. On the other hand, in areas where the economic justification for the project would be even greater, because of the local organization's inability to outbid others in offering a financial contribution to the total cost, action could be indefinitely deferred. The construction of a project should be based upon the economic justification for it—not solely on the financial ability of a community to bid for it.

S. 3023 would adopt a uniform formula for all small watershed projects insofar as the local organization's share of the total cost is concerned, and would permit Government loans for the local organization's share of the cost. At the same time, it brings the cost-sharing formula in line with other comparable water resources development programs. Specifically, S. 3023 would require the Federal Government to assume all the cost for flood-prevention structures, exclusive of land acquisition and rights of way. This is consistent in principle to other Federal flood-control projects, such as local flood protection for towns and cities, large flood-control reservoirs, and flood-prevention features in structures under the small reclamation projects bill (H. R. 5881).

Aside from the flood-control features of any project, S. 3023 would provide for Federal cost sharing of approximately 50 percent of the cost of the agricultural phases of the project. This would be accomplished by making the Federal Government's contribution to the agricultural phases of an impoundment equal to the present worth of the interest on a 50-year loan on the local interests' share of the cost. Again, this principle finds a precedent in, and is comparable to, the action taken by both Houses on the small projects bill designed for small reclamation projects (H. R. 5881); for under that act loans for agricultural reclamation are interest free.

The cost of storage capacity in water-retaining structures for purposes other than flood control and the agricultural phases of the use of water, would be borne on an equitable basis between the Federal Government and the local organization. That is to say, that where the additional cost would provide benefits identified as being solely local, the additional cost would be primarily a local responsibility. Where the benefits were widespread and the beneficiaries could not be identified, the Secretary would be justified in determining that that portion of the cost was primarily a Federal responsibility.

Public Law 566 limits watershed development to watersheds not containing more than 250,000 acres. In addition, it imposes a restriction on the size of any reservoir of 5,000 acre-feet. Public Law 566 is designed to cope with problems and to develop the resources of our small watersheds. It is a small watershed program, and as such should not develop into a program for developing large-scale projects such as those carried on by the United States Corps of Engineers or the Department of the Interior on our major streams and tributaries. These agencies, because of the effectiveness with which they have pursued major water problems and because of the great amount of experience gained in this field, should be the sole agencies to prosecute water resources development on our major streams and tributaries. However, at best the 5,000 acre-foot restriction on the size of reservoirs is an arbitrary restriction, and might seriously prevent the proper development of a small watershed, especially if other water needs are to be taken care of as proposed by S. 3023. S. 3023 would retain the limitation of 250,000 acres as the size of any small watershed project, and in my judgment this assures that the program will be limited to the small streams. This would substantially eliminate the program's overlapping or duplication of, the functions of other water resources agencies.

Public Law 566 requires transmission of the final plans for any project which includes Federal assistance for floodwater detention structures to the Secretary of the Interior or the Secretary of the Army, respectively, for his views or recommendations at least 60 days prior to transmission of the plan to Congress. S. 3023 with the amendments recommended today, in addition to requiring submission of any final plans to these agencies would require the Secretary of Agriculture to transmit on receipt of the application a brief description of the application and of the proposed works of improvement to these agencies. This, in my judgment, is essential if we are to obtain the benefit of coordinated thinking of the Federal agencies charged with the responsibility of water resources development. This requirement will make possible the elimination of many problems concerning project conflicts before the plans have reached their final stage.

As a final assurance that the proposed development of any small watershed is consistent with the intent and policies of the Congress with respect to water resources development, S. 3023 with the proposed amendments would provide for congressional review. One amendment would prevent the construction of any project the plans for which have been disapproved by the appropriate committee of either the House or Senate during the review period originally required in Public Law 566 and retained in S. 3023 unless Congress gives its approval by concurrent resolution. In similar manner, it would eliminate the long waiting period where the appropriate congressional committees of both Houses approved the plans.

Finally, in order to insure that small watershed development may be carried out where economically justified in all areas, irrespective of the financial resources of the local organizations, S. 3023 would provide for 50-year loans with interest determined as the average interest rate on long-term Federal obligations to finance the local organizations' share of the costs. This provision coincides with the loan features of the small projects bill (H. R. 5881).

STATEMENT OF SENATOR W. KERR SCOTT OF NORTH CAROLINA

Mr. Chairman, I want to express my feeling that it is urgently necessary for this Congress to strengthen and expand the small watershed program launched under Public Law 566 by the 83d Congress. Our experience with this law during the year and a half that the program has been in operation has revealed three main things about it. First, its potentialities have caught the imagination of our people to an unparalleled degree, and applications for projects have poured in upon the responsible authorities; second, its limitations in scope and financial resources have made it possible for only a few projects to get beyond the application stage; and third, its procedural provisions seem, to me at least, to be unduly burdened with redtape and delays, to the point that I am reminded of the old adage, "hope deferred maketh the heart sick."

Mr. Chairman, I find myself in general agreement with the philosophy and purposes of H. R. 8750 as it passed the House of Representatives. I know your subcommittee has before it a number of bills with many admirable provisions, and I know that you will give careful thought and study to all of them. However, I will mention here two points which I think ought to be in the bill Congress enacts.

First, I believe that the cost of the flood-protection features of reservoir construction under this program ought to be borne entirely by the Federal Government. This principle, it seems to me, ought to apply to small projects as well as to large ones, and the tradition of Federal construction of the larger flood-control works at Federal expense is well established. I think the local organizations have contributed their fair share when they have applied the needed land treatment measures, acquired the lands, rights-of-way, and easements, and have contracted to bear the burden of operation and maintenance.

And second, I think the 5,000-acre-foot limitation on size of reservoirs to be constructed under this program is an arbitrary and unrealistic limitation, which ought to be raised or eliminated. Some formula more flexible, adaptable to the needs of differing situations, ought to be adopted.

Mr. Chairman, one of the splendid things about the small watershed program is that it is based on local initiative in organizing and developing watershed protection and flood-prevention programs by the local groups themselves. I subscribe to the view that the existing law should be broadened in purpose to take full advantage of all the potentialities of the water resources impounded in these small reservoirs and operated and maintained by the local sponsoring organizations. I know what it can mean in terms of better soil and water management; in terms of conserving the land and protecting rural and urban homes, land, and businesses from floods; in terms of better storage and distribution of water to improve farming through irrigation and better drainage, and to make possible the release of water during droughts to ease downstream pollution, protect fish, and in general maintain an adequate streamflow; in terms of the recreation possibilities of these small reservoirs; and finally, and particularly important to full and well-coordinated use of our water resources, in terms of municipal water supply where this feature can be built into the program to the advantage of all the local interests concerned.

STATEMENT BY SENATOR WALLACE F. BENNETT

May I say first of all, Mr. Chairman, that I am wholeheartedly in accord with efforts to eliminate delay in processing small watershed projects. It is imperative that we prevent floods and not confine ourselves solely to controlling them. It is precisely this emphasis upon water and soil conservation on our vital watersheds that led me to support the Watershed Protection and Flood Prevention Act of 1954.

Two of the original 1953 "pilot" projects are located in Utah near Santaquin and Mount Pleasant. Thus far, they have proven most successful and will be completed in 1958. However, of the 19 applications in Utah under Public Law 566, only 1 has thus far received approval by Congress, the Mill Canyon-Sage Flat project at Glendale.

Assistance by the Secretary of Agriculture under the present small watershed program is limited to irrigation drainage and flood prevention. It is unfair to limit the local people by such narrow restrictions. I am in complete agreement with the first amendment to the 1954 act which would expand the assistance under the act to include such purposes as municipal and industrial water supply, recreation, fish and wildlife improvement, pollution abatement by streamflow regulation and saline water intrusion control. Multiple use of water resources is just as vital on small watersheds as it is in large river basins.

The second amendment would delete the proviso clause which prohibits the Department of Agriculture from sharing in the cost of storage for purposes other than flood prevention and should therefore be adopted consistent with the first amendment.

Under the present law, flood-control structures are limited to a 5,000 acre-feet total capacity and the third amendment would remove the limitation with certain restrictions, including the requirement that the construction cost of capacity in excess of 5,000 acre-feet be borne entirely by the local organization. This amendment may have some value in other States but there has been no occasion thus far to build or plan a structure larger than 5,000 acre-feet in Utah and it appears unlikely that one of such size will be needed in the future.

The fourth amendment would provide that the cost of structural measures for flood control would be borne completely by the Federal Government while the present program calls for some local cost sharing to the extent that the local organization is benefited by the flood-control structures.

There is a considerable difference of opinion in Utah about this provision. Those who are in favor of the amendment argue that the cost of flood-control structures built by the Army Corps of Engineers and flood-control benefits on reclamation projections are totally borne by the Federal Government and they feel that it would be discriminatory to local groups under the small watershed program if they had to assist in paying for flood-control structures while others do not. Those who oppose the amendment feel that the local people should bear a portion of the cost to the extent that they are actually benefited by the structure.

In the event that the committee should adopt this amendment, I wish to propose a further amendment, making the benefits retroactive to cover the 13 projects thus far approved by Congress under the 1954 act. One of these projects, Mill Canyon-Sage Flat, is in Utah and a significant portion, assigned to flood control, \$25,685, must be paid by the local people under the present program. If future projects are to receive these benefits under the act, then it seems only fair that the 13 projects already approved by Congress including Mill Canyon-Sage Flat should be similarly benefited.

Raising the 5,000 acre-feet limitation and directing that the Federal Government pay for flood-control structures raises some serious administrative problems. The Soil Conservation Service will be projected to a greater extent than ever into the flood-control picture along with the Army Corps of Engineers and the Bureau of Reclamation. This could lead to wasteful competition. The need for a clear direction by Congress requiring that the agencies must coordinate their efforts is manifestly necessary if this amendment is adopted. This requirement of coordination is not, in my opinion, sufficiently well spelled out in the present act. I, therefore, urge that the committee make it quite clear that the agencies involved shall coordinate and cooperate rather than compete.

Some corollary problems are associated with the amendment to have the Federal Government assume the cost of flood-control structures. Many small communities in Utah which are now unable to participate in the small watershed program would be able to do so if the amendment is adopted. In fact, it

may be said in Utah that the smaller the community, the more difficult it will be for them to carry out a project under the present act. This problem is heightened by the fact that the Army Corps of Engineers is so reluctant to take action on small projects in Utah. In the absence of congressional approval of the small reclamation projects bill, it is also virtually impossible to get any action on these small projects by the Bureau of Reclamation. Many vital watersheds are being neglected in this vacuum.

Another of the factors which make it difficult for our smaller communities in Utah to participate in the small watershed program is the vast area owned by the Federal Government, comprising three-fourths of the State. Under the present law, Public Law 566, it is virtually impossible to include large areas of vitally important watersheds on our public lands in Utah under the small watershed program because of the requirement that there be "local sponsors" to assume a share of the costs. Our small towns and communities have trouble enough to meet their share of the cost on private lands immediately nearby. To require that they also defray a portion of the cost on more distant public lands as well, makes it virtually impossible for them to participate in the program.

There is a great dispersion of problem areas on the watersheds located on public lands which are difficult to relate to local groups. Moreover, in some instances the benefits occur too far downstream to fit into the concept of local sponsors. Such benefits include protection of the fish resource, reduction of sedimentation to streams, reservoirs, and irrigation canals and flood control. This latter problem would be partially remedied under the proposed amendments.

An example of this problem shared by many of Utah's small communities is the Pleasant Creek watershed project. On one side of the hill there are local sponsors while on the other side of the hill there are no local sponsors. The present law is therefore of no value to one side of the hill, although the area where there are no local sponsors is quite as important for soil conservation and watershed protection as the other side of the hill where there are such local sponsors.

The problem is so acute that the complaint has been made in Utah, with much justification, that the Small Watershed Act is designed principally to aid the Midwest and only incidentally the mountain West. Just a small portion of Utah projects can be built under the present law. The expansion of purposes under the act and the flood-control amendment would be a partial remedy to this critical problem, but it is necessary that the committee alter the concept of "local sponsors" to solve this vital problem. It is doubly important to reach such a solution since the Bureau of Land Management and the Forest Service, the two large Federal land agencies in Utah, do not have sufficient funds to cooperate in the program on watersheds under their jurisdiction. Furthermore, the Soil Conservation Service has shown a certain reluctance to expand its activities to these areas controlled by the other agencies, perhaps because there is no clear congressional mandate to require them to do so.

The soil conservation districts in Utah now have the legal authority to contract for works of improvement, so the fifth amendment regarding the terminal date of July 1, 1956, will not affect Utah.

The sixth amendment provides that projects involving a Federal contribution of less than \$250,000 to the construction cost of structural works shall be exempted from review by Congress and Federal agencies. While I am completely in favor of speeding up the review process, I have serious reservations about exempting completely such projects from review. With the vast expansion of such water projects contemplated in the future, I believe that there should be a streamlined review process to prevent abuses.

The seventh amendment authorizes the Secretary of Agriculture to make long-term loans to local organizations at the rate of interest paid by the Federal Government on its long-term interest-bearing marketable securities to finance the local share of project costs. Some Utah communities have had difficulty in raising the necessary cash for project improvements and the provision should prove salutary to them.

Our watersheds are precious resources and are in dire need of enlightened water- and soil-conservation measures. I, therefore, sincerely urge this committee to act affirmatively upon the recommendations I have made. In closing, I ask that two editorials, one from the Salt Lake Tribune and the other from the Desert News and Telegram, appear in the record. They eloquently point up some of the problems we have encountered in Utah under Public Law 566.

Senator KERR. All right, Congressman Johnson. Do you have a prepared statement?

**STATEMENT OF HON. LESTER R. JOHNSON, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF WISCONSIN**

Mr. JOHNSON. No; I am going to talk ad lib.

Mr. Chairman, I am appearing as a cosponsor of a similar bill in the House, the Poage bill, which is before you. There were similar bills introduced by Mrs. Blich, of Georgia, myself, Mr. Johnson of Wisconsin, Mr. Laird, of Wisconsin, Mr. Matthews, and Cliff Hope.

Senator KERR. Did you say Cliff Hope?

Mr. JOHNSON. Clifford Hope of Kansas.

We had very extended hearings in the House, and I happen to have been fortunate enough to have been with the subcommittee at the time we drafted this bill, and I hope you Senators over here will just leave it as is. I think we have got a very good bill.

I was especially interested to hear the testimony of——

Senator KERR. May I ask you a question right there, Congressman?

Mr. JOHNSON. You bet.

Senator KERR. Do you think we could pass it over a Presidential veto?

Mr. JOHNSON. I do not believe we will get a veto, because I talked with the President personally myself at the time he invited us freshman Congressmen up there, and he tells me that he thinks the place to stop these floods is back in the hills where they start. And I think that is the theory behind this legislation.

I represent a part of western Wisconsin where we have these unglaciated areas which are very hilly, and our farms are poor farms, and these people all should be in some watershed. But what is happening with these poor farmers back there is that when they hear these Government employees are out trying to get them into the watersheds, they are going to have to stand the cost of this dam, and they have got farms all the way from five to ten thousand dollars in value and they cannot imagine themselves getting hooked with a possible flood dam that is going to help the people down below that is going to cost them probably half the cost of their farm or more. And I think that is what has been holding up the work.

In the hearings before the House I think I brought out in questioning Mr. Peterson, who is here from the Department, that there has not been a single project started as yet, and it will be 2 years this August from the time the Hope Act was passed and signed by the President.

Senator KERR. That is Public Law 566?

Mr. JOHNSON. Yes, sir. And I think if we are going to get anywhere on this legislation we have got to get this legislation in shape so that the people back in the small watersheds are getting the same kind of a proposition that is given to the people under the Corps of Engineers' projects.

I think it is just as important to stop this water—it is more important to stop this water—back in the hills in the small streams than to let it all come down and hold it in a big dam. And I believe that when these projects are worked out all over the country we will stop a lot of our big floods because we will stop the water back at the source.

And besides furnishing the sites for these dams and the rights-of-way and different things like that, these different farmers in the watersheds have to go ahead and practice soil conservation practices that are

laid out by the ASC. And over 50 percent of the farmers in the area have to agree under the law, as it is now, as I understand it, to come under these projects when they organize the watershed.

I know that in my district I have many streams that flow into the Mississippi with small streams emptying into them that all should be in one of these watersheds. And at the present time in our district we have one watershed that has made the planning stage and has gone back to Wisconsin to start getting plans ready.

I also think that the part that we have in the legislation that allows the municipalities to come in for extra water is a very good feature for municipal purposes. And as I understood the legislation when it was considered in the House, if the dam cost so much money, the extra cost that is added for the municipal use, the municipality is to pay.

Now, in the discussion we had in the House, the community is going to have to put up that money, but there is provision in the legislation so if the community wants to borrow from the Federal Government they can borrow.

Senator KERR. Well, the Federal Government pays for it and the community enters into a contract to buy water over a period of years, and in paying for it reimburse the Federal Government over that period of time plus interest?

Mr. JOHNSON. Or they can go out and borrow the money if they can borrow it at a cheaper rate and pay the Federal Government I believe.

Senator KERR. Yes.

Mr. JOHNSON. I was more interested in the flood control section of the legislation, and I felt that that particular section should be left the way it is.

Not repeating myself, but so many times among farmers that I have talked to, you talk about going into watersheds and they are afraid of the cost of the dams. And I think you have heard the testimony of Mr. Brown that it varies all the way from 50 percent down to 10. And in order to form a watershed, it is impossible to tell these fellows when you start what their cost is going to be. They want to know their cost.

When will it be, Mr. Brown, when the final plans are ready?

Mr. BROWN. After the surveys have been made, Congressman.

Mr. JOHNSON. Yes. I have no further statement.

Senator KERR. Any questions of the Congressman?

Senator CASE. I was wondering. Did the Congressman mean there are no projects that are being prosecuted under the 1954 act?

Mr. JOHNSON. None in the United States that are started.

Senator KERR. There are 16 that have been authorized. There are eight more ready for authorization. But Mr. Brown is here. He can tell us whether actual dirt has been moved on any of them.

Mr. BROWN. No contract has been let as yet, Senator, on any of those projects.

Senator CASE. Well, have they been funded?

Mr. BROWN. Well, the agreements included in the work plans have been validated, signed by the local organization and the Secretary, and the project is in operation, but there has not been time yet to prepare the specifications and let any contracts.

Senator CASE. I think that the time element may be due to some of what I regard as rather unfortunate or excessive review procedures in

the present act. But it is correct, is it not, that there are some projects that are ready to go to contract?

Mr. BROWN. Yes, sir. Thirteen of them were approved on June 6.

Senator KERR. But no bids have yet been asked for?

Mr. BROWN. That is correct, sir.

Mr. JOHNSON. I might say that another important feature of this legislation was that in the smaller dams—I think it is 250 acre-feet; I am talking from memory—they do not have to go through the procedure of being sent to the several different departments and up to the House of Representatives and the Senate before they can be approved. I think there is a laying over period now under the present law where they must be reported to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry and lay there for 60 days. And if it so happens that Congress is not in session, that is another delay. In the smaller projects, I believe under 250 acre-feet—

Senator KERR. It is 2,500, is it not?

Mr. JOHNSON. 2,500. They do not have to come up to the House for that.

I thank the committee for the opportunity to come over here and appear before you, and I might say that Congressman Poage told me if he had not been down in Texas he would be over here. But he had a previous speaking engagement and could not be here.

Senator KERR. Thank you very much, Congressman. We appreciate your presence here.

General Itschner.

STATEMENT OF MAJ. GEN. E. C. ITSCHNER, CORPS OF ENGINEERS, ASSISTANT CHIEF OF ENGINEERS FOR CIVIL WORKS, ACCOMPANIED BY CARTER PAGE, CHIEF OF PLANNING DIVISION; AND HOWARD L. COOK, CHIEF OF SPECIAL PROJECTS BRANCH

General ITSCHNER. I welcome this opportunity to appear before your committee, sir. I have a prepared statement, sir, which we will pass out to the members of the committee.

Before I start on it, though, sir, I would like to give you the policy of the Chief of Engineers with respect to the small dam program and our views on it.

First, the Chief—

Senator KERR. As outlined in H. R. 8750?

General ITSCHNER. It pertains to that bill.

Senator KERR. All right, sir.

General ITSCHNER. It is very brief. First, the Chief of Engineers heartily endorses the land treatment program and subscribes to the contention that it will reduce the loss of topsoil and increase insoak, thus lessening the amount of sediment in our streams and reservoirs, and reducing to a minor degree the magnitude of floods.

Second, the Chief of Engineers believes that a program for the construction of small dams is an important part of the overall flood-control program. These small dams, like the large ones, should be economically justified incrementally. And they should, like large dams, be constructed in accordance with accepted sound engineering princi-

ples. Any dam improperly built is dangerous, and if it fails it probably will cause much more destruction than it was designed to prevent.

Would you like to have me read this statement?

Senator KERR. I would like to have you read your statement, and if the Senators want to interrupt, they may. But if not, then when you have finished we will ask questions.

General ITSCHNER. Thank you, sir.

The Department of the Army was not requested to comment on the the bill H. R. 8750 which has passed the House of Representatives and is now before your committee.

Senator CASE. Now, Mr. Chairman, at that point I would like to ask this question: You were not asked to comment on the bill. Did you testify on the bill?

General ITSCHNER. We did not testify on the bill, sir.

Senator CASE. You did not appear in the hearings before the House committee at all?

General ITSCHNER. No, sir, not at all. Not on this bill, nor on any other bill similar to it. Our comments were requested, however, on the bill S. 3243.

Senator KERR. Who was the author of that bill?

That is the Carlson bill? All right.

General ITSCHNER. The Carlson bill, yes, sir, which is essentially the same as H. R. 8750. However, these comments have not yet cleared the Bureau of the Budget, but I have discussed them with that agency and therefore am able to present them.

Senator KERR. Present the views of your department as they have been prepared by it and accepted or approved by the Bureau of the Budget?

General ITSCHNER. That is correct, sir.

Senator KERR. O. K.

General ITSCHNER. The desirability of amending Public Law 566 so as to permit the incorporation in small flood-control dams capacities and features which will serve other purposes, such as water supply and irrigation, is recognized by the Chief of Engineers. He also acknowledges the desirability that all Federal agencies operate under the same rules so far as local cost-sharing is concerned, and in fact he has issued instructions to his field offices that small dam projects now being formulated by the Corps of Engineers provide for cost-sharing on the same basis as that required by the Soil Conservation Service. Also, the merit in providing for Federal loans for the purpose of assisting local organizations to finance their share of the cost of flood-control projects is recognized, so long as the same consideration is given to water resource development projects of all Federal agencies. Further, the extension of the provisions of the act to apply to Hawaii, Puerto Rico, and the Virgin Islands seems logical.

However, the Secretary of the Army in his comments pointed out the effects of the proposed legislation and presented his view that:

(a) The bill would authorize an increased public-works program, expanding Federal responsibility in fields such as drainage, fish and wildlife enhancement, and pollution abatement.

(b) Legislation authorizing such extension should set forth basic policies for Federal participation in these purposes, which this bill does not do.

(c) Since the expanded program will be one principally of an engineering and construction nature, provision should be made for close coordination with public-works programs of agencies already in these fields, because of technical interrelationships and the need for a coordinated approach to insure the best development of the water resources of a river basin. This bill moves further away from coordination in river basin planning, as where it eliminates inter-agency review of plans with Federal costs under \$250,000.

These views were based upon the major effects of the amendments to Public Law 566 which H. R. 8750 would accomplish. These are:

(a) The bill would eliminate the limitation of works of improvement to the "agricultural phases" of water resource development, and would permit the inclusion of storage for irrigation, municipal and industrial water supply, recreation, fish and wildlife, pollution control, and salinity control.

Senator CASE. General Itschner, is the Corps of Engineers opposed to the development of those features?

General ITSCHNER. The Corps of Engineers is not opposed to those features being incorporated in the program, sir.

Senator CASE. They are not?

General ITSCHNER. They are not opposed.

Senator CASE. I think that is—

General ITSCHNER. You will probably recall I stated near the beginning of the discussion here that we recognize the desirability of incorporating in the Public Law 566 program these other features so as to make the optimum use of the water resources available.

Senator CASE. You probably have in mind there should be a some delineation of responsibility between the Department of Agriculture, the Bureau of Reclamation, and the Corps of Engineers, but you are not objecting to the incorporation in projects prosecuted by these other agencies features which may be perhaps the dominant features in structures that the corps constructs?

General ITSCHNER. We do not object to the incorporation of these features in their projects, sir. We have certain feelings about the rules and that should be applied to some of them, such as reimbursement, which I shall come to later.

Senator HRUSKA. Later in your statement will you elaborate on subparagraph (b) contained at the top of page 2 of your statement?

General ITSCHNER. I touch on it, yes, sir, and I think perhaps you would like to ask more questions after I finish.

Senator HRUSKA. I shall not ask questions now if you will touch on it later and give opportunity for questions at that time.

General ITSCHNER. Thank you, sir.

Provision was made in Public Law 566 for congressional consideration by committee resolution of any plan of improvement which includes structures of more than 2,500 acre-feet in capacity. H. R. 8750 would eliminate any committee approval and eliminate submission to Congress of projects for which the Federal contribution is estimated to be less than \$250,000.

(c) Public Law 566 left to the Secretary of Agriculture for determination of the local share of the works of improvement. H. R. 8750 specifically provides that local organizations shall not assume any part of the construction costs of structural measures applicable to flood prevention.

(*d*) Public Law 566 provides that costs of providing storage in reservoirs for purposes other than flood prevention, such as water supply, shall be borne by local organizations and not by the Federal Government. H. R. 8750 requires local repayment for costs of storage in excess of 5,000 acre-feet for purposes other than flood prevention, but would permit Federal participation in the cost of storage for water supply and other purposes in structures of 5,000 acre-feet and less.

(*e*) Public Law 566 provides that the Secretary of Agriculture shall not construct or enter into contract for any structure unless there is no local organization authorized by State law to undertake the work, and in no event after July 1, 1956. H. R. 8750 would eliminate this terminal date.

Senator KERR. What is the effect of that, briefly, General? I believe you may be going into it in the next paragraphs.

General ITSCHNER. That is right, sir. I do touch on it later, sir.

Thus the proposed amendments contained in H. R. 8750 tend to move Public Law 566 further from its original intent of Federal assistance to local organizations in carrying out the watershed programs, and accordingly, the Secretary of the Army opposes enactment of H. R. 8750 in its present form.

I, therefore, suggest the following changes in that bill, which would make it conform more closely with the views of the Secretary of the Army:

(*a*) There should be a limit on reservoir capacity provided in watershed work plans for purposes other than flood control. It is suggested that the bill require that capacity for flood prevention be not less than 50 percent of the total capacity, in order to maintain the policy that these programs are primarily for flood prevention.

(*b*) If it is desired to provide Federal assistance in larger structures to be designed, financed, and built by a municipality or other political subdivision primarily for water supply or some other purpose except flood control, provision should be made in the law for a Federal cash contribution in an amount representing the share of the cost, if any, allocable to flood control.

(*c*) Provision should be made for repayment by the users for all storage of water for purposes other than flood control, in accordance with existing law or policy applicable to those purposes, even though such storage may be included within the initial 5,000 acre-feet of storage in a reservoir. In the case where the same storage space serves flood control and other purposes, costs should be allocated equitably among purposes and the users should pay for costs thus allocated in accordance with established principles and policies. For irrigation storage the principles of repayment in reclamation law should apply, and the provisions of existing legislation applicable to repayment for municipal and industrial water should apply to storage for that purpose.

(*d*) The present requirement in Public Law 566 for some local contribution toward the construction cost of structures for flood control should be retained. The degree of local contribution being required by the Department of Agriculture in current watershed work plans for dams and other engineering works averages, according to our figures, about 27 percent of the first cost, including lands and rights-of-way. This is only slightly higher than that required for recent local flood protection projects of the Corps of Engineers pro-

posed under present law and administration policy—23 percent for local flood protection projects acted on favorably by the Board of Engineers for Rivers and Harbors between May 1954, and April 1956.

Senator HRUSKA. General Itschner, may I ask on what basis that 27 percent of the first cost is computed?

General ITSCHNER. That was the average, sir, of the first reports which we received for comment from the Department of Agriculture, the first 30 reports.

Senator HRUSKA. That was the same basis referred to by Mr. Brown a little bit ago?

General ITSCHNER. Yes, sir; I believe he gave the figure 32 percent for it. Perhaps he has taken more of them or perhaps they were not estimated the same way. The comparison I gave you is on the same basis, however.

Senator KERR. Now, what is the distinction between that 20 percent and the 17 percent figure Mr. Brown gave us?

General ITSCHNER. I am not sure I recall exactly what that was.

Senator KERR. Just so we might be clear on it, the 17 percent was what he gave us as the percentage of local participation in the structural cost; was it not?

Mr. PAGE. Yes, sir.

Senator KERR. And the 27 percent includes not only the local participation in the structure but also includes recognition of rights-of-way and other contributions; is that right?

Mr. BROWN. Yes, sir. I think, Senator, that the discrepancy between the 32 percent that I quoted and your 27 percent is perhaps that our figure includes the capitalized value of operation and maintenance.

General ITSCHNER. Ours definitely did not include any capitalized value for maintenance. Maintenance would be in addition to the figure we gave for our own projects.

Senator KERR. Yes.

Senator CASE. Over what period would you capitalize the maintenance to get that as a factor?

Mr. BROWN. Over a 50-year period, Senator.

General ITSCHNER. Shall I continue?

Senator KERR. Yes.

General ITSCHNER. e. The procedure under Public Law 566 is for local organizations to let contracts. It would seem equally appropriate, and more in keeping with the intent of the act, if H. R. 8750 retain the concept that local organizations would assume responsibility for the engineering and construction of these works by employing professional engineers. Reimbursement for the cost of necessary engineering services could be a part of the Federal assistance contemplated under the act.

Senator CASE. General Itschner, it is an interesting thing to see that coming there. Is that because the engineers feel that otherwise there might be inadequate engineering?

General ITSCHNER. No, sir; I would not go that far, but we do feel that because this is a local program to be accomplished by local organizations that the employment of professional engineers to assist these local organizations in the design and construction of their

projects would be more suitable than a program where the entire engineering and design is done by a Federal agency.

Senator CASE. Well, would that reduce the workload for the Soil Conservation Service?

General ITSCHNER. Well, I am sure it would; yes, sir.

Public Law 566 provides for congressional consideration of all plans prepared under that act and approval by committee resolution of any plan of improvement which contemplates structures of more than 2,500 acre-feet in capacity. H. R. 8750 would remove this degree of congressional control. We have consistently supported the policy that major projects and programs, by whatever agency constructed, including our own, should be authorized specifically by Congress and we believe that at least the present degree of congressional control should be retained in Public Law 566. Some modification of the 45-day waiting period, between transmission of a plan to Congress and the initiation of construction, may be desirable to avoid unnecessary delay when committees take action by resolution in a shorter time.

Senator CASE. Well, General, are you overlooking the fact that the Senate has already passed in the bill to permit projects to be undertaken by the Corps of Engineers up to a cost of \$250,000 without specific individual authorization?

General ITSCHNER. No, sir; we were quite aware of that. The bill has not passed yet, but even so, we have at the present time authority to undertake projects—

Senator CASE. Up to \$150.

General ITSCHNER. Up to \$150,000. There is a difference though, between the two types of programs.

Senator CASE. Well, I think it would be helpful if you would elaborate on that, because on the surface of things it would appear that if the engineers can initiate projects under section 212 of the 1950 act up to \$150,000, and we now propose to raise that limit to \$250,000. Why should congressional control be exercised on the individual projects undertaken by the Secretary of Agriculture within the same dollar limit?

General ITSCHNER. Sir, with the same dollar limitation there is a difference in the type of projects that would be undertaken by the two different agencies. The type of project that we have found that section 212 is applicable to is a local protection project, that is, a project that involves either a levee, channel clearance, or a floodwall, and a project of that type has virtually no effect upon the flood problem downstream, even a short distance downstream. It is one for local protection only, and the effects are only in that one locality.

Senator KERR. Is it not ordinarily an element in a very large overall program of flood prevention with reference to which you have had jurisdiction and supervision and operation?

General ITSCHNER. Well, generally speaking, sir, it is not. We do, of course, take into account the flood control storage that exists or is contemplated in the near future above the point that is provided local protection, but one of the criteria applied to section 212 projects is that it be a project complete in itself. Now, ordinarily, in small flood storage reservoirs such as contemplated under Public Law 566, we are constructing flood control measures which are effective downstream.

The effect decreases as you go down. And consequently it is very important to the overall flood problem in that basin and in the larger river valleys downstream.

Senator CASE. That might argue for review or coordination with the Corps of Engineers but would it argue for individual congressional review or authorization?

General ITSCHNER. We think that it does, sir. We think that its effect is so great—not one small dam, but a large number of them in the aggregate would be so great that it would be desirable to have congressional review of projects. It is not generally appreciated that a small dam program, particularly with uncontrolled outlets, might augment floods under certain conditions, and not rare conditions at all. That would also apply to large dams with uncontrolled outlets, and it is a serious problem.

Senator CASE. My argument for coordination with the Corps of Engineers would be operating or considering the flood-control projects downstream. I do not want to disparage the value of congressional review, but I am a little inclined to doubt that the relationship between a project under \$250,000 in size, that the relationship of that project to other projects downstream would be the subject of a great deal of scrutiny by congressional committees.

General ITSCHNER. I think that we are not in a position to say how much congressional review should be given. I do agree that it is very important that other agencies, not only the Corps of Engineers but the Bureau of Reclamation, have an opportunity to review these plans, just as I believe very firmly that the Department of Agriculture should review our plans so as to insure coordination.

Senator CASE. You have said in this paragraph: "H. R. 8750 would remove this degree of congressional control."

General ITSCHNER. That is correct.

Senator CASE. I want to ask, Does it remove the review of other agencies such as Agriculture and Corps of Engineers?

Senator KERR. You have not had that review, have you?

General ITSCHNER. Yes, sir; we have had that review and we have reviewed all projects that have come in so far under Public Law 566.

Senator KERR. Does H. R. 8750 not remove that which you have had under—

General ITSCHNER. It removes review for projects costing under \$250,000 but continues the review for projects costing over \$250,000.

Senator HRUSKA. Well, General Itschner, is it not true that while your corps and other departments may still coordinate their efforts without congressional control, the fact that there is reference to Congress and a waiting period furnishes a normal channel where there can be a crystallization for any resolution of differences that cannot be settled among your own departments, among the departments themselves?

General ITSCHNER. I think that is very true, sir. We, of course, try to settle our differences first. But if there are any differences, then there should be some authority to decide which is correct.

Sentor HRUSKA. It has been my observation when there is a resolution of any differences that might occur among the departments and the matter is referred here to Congress without any differences un-

resolved that there is relatively nominal attention paid by the congressional committees. However, if there is something unresolved, that is a signal for us to get to work in the congressional end of it. Does that trend present pretty well your observation?

General ITSCHNER. Yes, sir; that is exactly our view on it, sir. Some congressional committee should examine these differences and make a decision.

Senator CASE. When you suggest some modification of the 45-day waiting period between transmission of a plan to Congress and the initiation of construction, what would you recommend as that modification, 30 days?

General ITSCHNER. I think the way the law is written now, sir, it requires a 45-day waiting period. Now, if the congressional committee takes action before that time, the waiting period should be stopped at the time they take action; that is all I meant by that comment.

Senator CASE. Affirmative action by the committee?

General ITSCHNER. Yes; I think that is all. I believe the Soil Conservation Service would want to see that change, too. May I proceed?

Senator KERR. Yes, sir.

General ITSCHNER. The Secretary of Agriculture has proposed a bill, S. 3727, as a substitute for H. R. 8750 which embodies certain recommended changes in the law which were developed by the interested agencies, including the Department of the Army, as preferable to the changes proposed in H. R. 8750. The Secretary of the Army in his comments suggested consideration of the bill S. 3727.

It was understood that the bill S. 3727 would leave unresolved a number of problems of interpretation and coordination which we believe are recognized by all of the agencies concerned, and which should be resolved within the executive branch.

We understand, therefore, that the interpretation of the language of S. 3727 will be made by the Executive Office of the President under that provision of Public Law 566, which directs the President to issue rules and regulations to govern activities under that act. We understand, also, that these rules and regulations will interpret the provisions of S. 3727 in such a way as to: First, assure consistency of policy with existing legislation; second, obviate duplication of effort; and, third, assure coordination between work done under the Watershed Protection and Flood Prevention Act and the closely related programs now being carried out under such legislation as the flood-control acts.

The language of S. 3727 might be construed as permitting the Federal Government to bear the full construction cost for providing capacity for flood-control purposes, even though the same capacity might serve one or more other purposes. The policy now in effect is that all purposes should share equitably in such joint costs, and the Chief of Engineers considers this equitable sharing of costs sound and desirable. The language of S. 3727 might also be construed to permit the Federal Government to bear the entire cost of purposes heretofore considered as a matter of local interest, such as recreation and enhancement of fish and wildlife.

Since Public Law 566 is a bill aimed primarily at soil conservation and flood prevention on upstream lands, it should provide for flood protection of urban areas only when incidental, and should not be used

specifically to provide flood protection to towns and nonagricultural developments. This point is not clarified in S. 3727.

It is apparent that the language of S. 3727 might be construed as increasing the amount of Federal participation in water-resource development considerably beyond the amount permitted by present policy. Such widespread extension of Federal activity and interest should be considered carefully and might more properly be the subject of general legislation applicable alike to all programs of the Federal Government.

However, it is presumed that the Executive Office of the President will interpret the provisions of S. 3727 in a manner which will require compliance with current Federal water policy, generally along the lines set forth in the report of the Presidential Advisory Committee on Water Resources Policy. Subject to this understanding, we would not object to enactment of S. 3727.

Senator CASE. Mr. Chairman.

Senator KERR. Senator Case.

Senator CASE. I think General Itschner is an excellent witness and I think he does a good job in his work, and I do not know whether he wrote this statement or whether the Secretary of the Army wrote it or who wrote it, but I do want to comment that this is the first time that I recall that a bill has been endorsed on the basis of an anticipated Executive interpretation in the declaration of policy. And I am not adverse to a declaration of policy, but I rather think that the declaration of policy should be made by Congress in the bill.

Senator KERR. I think the general is telling you that he feels the same way about it. That is the way I read the statement, regardless of who prepared it.

Senator CASE. I hope he does.

General ITSCHNER. I might say, sir, that actually we did write almost all of this statement.

Senator CASE. But here:

It is presumed that the Executive Office of the President will interpret the provisions of S. 3727 in a manner which will require compliance with current Federal water policy.

Senator KERR. See, the general does not have any means whereby he can bring about a situation where that result will inevitably come about. I would say that he is aware of the fact that he is talking to the representatives of a power that can do that. I should say that he is indicating to us that if we do not indulge that presumption, then since we have the power to implement it, it might be well to consider doing it.

General ITSCHNER. We believe, sir, as a matter of general policy that the Congress should be as specific as possible in their legislation.

Senator KERR. So that the administration of any law or any policy promulgated by the Congress can be done by administrative effort, rather than interpretive action.

General ITSCHNER. Yes, sir. You have to have some latitude, of course, and some interpretation always is going to be necessary but—

Senator HRUSKA. Mr. Chairman, I would subscribe to the chairman's statement that General Itschner is trying to say that very thing with reference to S. 3727. I would also like to observe that his statement says in no uncertain terms with reference to H. R. 8750 that he makes that same observation pertaining to that legislation. And I

refer to page 2 of his statement, subparagraph b, which reads as follows, and that is a comment pertinent to H. R. 8750:

Legislation authorizing such extension should set forth basic policies for Federal participation in these purposes, which this bill does not do.

And that is precisely the same criticism of H. R. 8750 which apparently exists with reference to S. 3727. To that extent, may I say that I subscribe to that.

Senator KERR. All right. Finish your statement.

General ITSCHNER. In the event that further consideration is given to the bill H. R. 8750, I believe that consideration should be given also to the modifications which I have suggested previously with reference to that bill.

Mr. Chairman, that completes my statement.

Senator KERR. Thank you very much, General.

Are there questions of this witness?

Senator CASE. General Itschner—

General ITSCHNER. Yes, sir.

Senator CASE. Is there in existence any specific declaration of policy to which you could direct our attention or to which you could refer us that might be appropriate for consideration if we should draft a declaration of policy in connection with this?

General ITSCHNER. We have considered some amendments to H. R. 8750 which we believe would make the bill conform with the policy of the Secretary of the Army.

Senator CASE. It might be desirable that you leave a copy of that with the staff so that we have it for reference.

Senator KERR. Fine. Are there further questions? If not, General, we are very grateful to you for this statement.

Mr. Peterson of the Department of Agriculture. Just one minute, Mr. Peterson. I believe Senator Barrett—did you have a statement you wanted to make?

Senator BARRETT. Mr. Chairman, I dislike to ask to get in ahead of Secretary Peterson, but I would appreciate the privilege of making a short verbal statement and later on filing a formal statement on this bill.

Senator KERR. We will be very glad to have you do that if you would like to.

STATEMENT OF HON. FRANK A. BARRETT, A UNITED STATES SENATOR FROM WYOMING

Senator BARRETT. Thank you very much, Mr. Chairman.

I appear here today in support of H. R. 8750. I think that we need legislation of this character that will liberalize the terms of the existing watershed-protection legislation and at the same time be sure that we are protecting the rights of State water users on that score. I am sure that the Department of Agriculture takes that same position. I think that it is extremely important that we get some legislation on the books that will help communities that want to control water as near where it falls as possible and to manage their lands and their water resources in a fashion so that they will be protected against flash floods.

Now, I realize full well that the Army engineers are in the business of protecting against floods in a big way, under this measure the peo-

ple can cooperate on a local level, and I am very hopeful that with the proper safeguards for the protection of the State water laws that we can get some legislation in here that will improve the existing watershed protection law.

Now, Mr. Chairman, I will ask permission, if I may, to file a formal statement on this bill at a later date and ask that it follow my statement here this morning.

Senator KERR. Very good, Senator Barrett.

Senator BARRETT. I thank you very much for this opportunity.
(The statement referred to is as follows:)

STATEMENT OF HON. FRANK A. BARRETT, A UNITED STATES SENATOR FROM THE
STATE OF WYOMING

I appreciate the suggestion made by Senators Case and Hruska that I comment somewhat on the various provisions of H. R. 8750 and on the comments made by General Itschner in the discussion of the bill this morning. I shall discuss the points very briefly:

1. H. R. 8750 permits the construction of reservoirs of more than 5,000 acre-feet total capacity, provided that the excess over 5,000 acre-feet is for purposes other than flood prevention and flood control and, furthermore, that the cost of construction of that part of the facility for storage in excess of 5,000 acre-feet shall be borne entirely by the local organization.

As I understand it, the Army engineers take the position that there should be a limit on reservoir capacity for purposes other than flood control and that capacity for flood prevention should be not less than 50 percent of the total capacity. As I construe the position taken by the Army engineers, this would effectively place a limit on the facility of 10,000 acre-feet of storage and that limitation could be attained only in the event there was at least 5,000 acre-feet dedicated to flood control. The engineers evidently take this position for the reason that they believe the justification for this program is flood control and, consequently, the engineers believe that that part of the structure dedicated to uses other than flood control should not be more than the part dedicated to flood control itself. In other words, there would be no objection to a dam of which 5,000 acre-feet was for flood-control purposes and any part of 5,000 additional acre-feet for other purposes, but, of course, as I said before, 10,000 acre-feet would be the limit and, furthermore, the total capacity could be only twice as much as that set aside for flood control in the event the flood control was for less than 5,000 acre-feet. In other words, if only 5,000 acre-feet were needed for flood control capacity, then the total structure could not exceed 7,000 acre-feet under the suggestion made by the Army engineers. While I subscribe to the theory of the Army engineers that the justification for this program is largely flood control, yet it does not seem to me that there is sufficient justification for imposing these restrictions.

It is probable that few projects will be undertaken under the authority of Public Law 566 which will have storage capacity in excess of 10,000 acre-feet. Nevertheless, if in a particular case a local unit of government desires to undertake a project involving more than 10,000 acre-feet capacity and involving multiple use of water for various purposes, and their plans to do so and the project as a whole is approved by the State government and the Department of Agriculture, there would not appear to be any legitimate reason why the Congress should interpose any prohibition to the approval of the project under Public Law 566. In such cases the Army Engineer Corps would continue to have the right, under the statute, to express to the Congress any reasons why the project should not be approved. It may be that the committee might consider a less restrictive provision than that suggested by the Army engineers in the event any restrictive language at all is deemed proper in that respect.

2. The bill, H. R. 8750 amends Public Law 566 by providing that local organizations will not be required to pay construction costs properly chargeable to flood control and prevention, but as I understand it would require the local organizations to participate in other costs for which storage is provided according to the benefits obtained. In other words, the bill, H. R. 8750, attempts to equalize the cost sharing under this type of activity in accordance with the provisions with respect to nonreimbursable items for flood control and flood prevention in the construction works presently carried on by the Corps of Engineers and the

Bureau of Reclamation. I am at a loss to explain the position taken by General Itschner with respect to this provision except on the basis that some contend that it is the intention to make all costs for construction of these projects of 5,000 acre-feet or less nonreimbursable. I do not subscribe to that contention. It is my opinion that costs for all other purposes, save flood control, are to be repaid by the local organizations with interest in the event H. R. 8750 is enacted.

3. The Engineers contend that provisions should be made for a Federal cash contribution representing the share of the cost allocable to flood control. It seems to me that is precisely what is proposed by H. R. 8750. On the other hand, as I interpret the statement of General Itschner, the Engineers contend that some local contribution toward the cost of structures for flood control should be retained. It is true that the Engineers require some measure of local contribution in the case of dikes and levees, but it is my understanding that in the case of storage reservoirs the Federal Government assumes 100 percent of flood-control benefits. I cannot justify the imposition of a larger measure of responsibility on farmers and others who will get some benefit from flood control under this act from the people in every section of the country who receive direct benefits from the tremendous sum spent for flood control by both the Army Engineers and the Bureau of Reclamation.

4. The Corps of Engineers suggests that local organizations constructing projects under Public Law 566 should employ "professional engineers."

This recommendation is apparently designed to prevent the Soil Conservation Service from supplying engineering assistance—although it fails to so state in specific terms. I can see no reason why the Soil Conservation Service should not supply engineering service for watershed projects. It would be equally logical to follow a similar policy with respect to Army Engineer projects.

Probably in most instances a local unit of government undertaking a watershed project will employ engineers for construction and maintenance operations. But I can see no very adequate reason for the Congress to spell this out in the statute.

5. The Corps of Engineers "believe that at least the present degree of congressional control should be retained in Public Law 566."

It should be appreciated that most of these watershed projects will be quite small and that there will be a very large number of them. While I have no very strong convictions on the desirability of the House and Senate Agricultural Committees being required to affirmatively approve these projects, I am inclined to believe that a veto power, as proposed in H. R. 8750, is sufficient to retain congressional control.

6. The Chief of Engineers suggests that it would be undesirable to eliminate the requirement for interagency review of plans of those projects where the Federal costs are under \$250,000. As I understand, the provision of H. R. 8750 is made for the purpose of expediting these small projects and it does seem to me that a line should be drawn at some point or other so that the expense in connection with these projects will not be disproportionate to the costs involved.

7. The Chief of Engineers opposes the elimination of the present provision in Public Law 566 that contracting of construction after July 1, 1956, must be undertaken by the local organization sponsoring the project. I concur in this recommendation as I believe the underlying theory of H. R. 8750 is that the projects will be initiated, constructed and operated by local authorities at the grassroots with the proper measure of assistance from the Federal Government. It seems to me that if this provision should be eliminated, the program might well develop into a Federal program with local participation. It is this feature of local control and responsibility which has so effectively stimulated interest in watershed projects by local people and organizations and local units of government. I hope the committee will modify H. R. 8750 in this respect.

I am pleased to comment on the statement made by the Chief of Engineers at the request of my colleagues and, in addition, I desire to say that I am pleased with the provision in the bill for long-term loans to the local organization with interest at the rate which the Federal Government is required to pay. Of course, the farmer will be obliged to provide the rights-of-way, the lands, the easements and, of course, all of the costs of maintenance and operation. By and large I desire to reiterate the statement I made earlier that while I am sure it is the intention to require that these projects be constructed in conformity with State laws and pursuant thereto, nevertheless I believe a provision to that effect in the bill might be desirable.

I appreciate the opportunity to appear before the committee and make these remarks.

Senator HRUSKA. Mr. Chairman, may I ask Senator Barrett if he will review the statement just given by General Itschner in which several suggestions are made with reference to possible amendments to H. R. 8750 and, after having read and considered them if it is your desire to comment thereon, I certainly, as one member of this committee would very much appreciate any comments or appraisals that you would make of those suggested amendments, sir.

Senator BARRETT. I thank my colleague. I might say that I came in after General Itschner had just about completed his statement. I have been advised of some of his recommendations and I will be glad in my formal statement to comment on same.

Senator CASE. Mr. Chairman, I would merely like to state that the committee welcomes the suggestions which Senator Barrett gives and has given. Senator Barrett for many years was a member of the Committee on Irrigation and Reclamation or its successor committees in the House of Representatives, and he is in a position to help us coordinate policy here with water policy as administered by the Bureau of Reclamation under congressional acts which he has helped to write.

Senator HRUSKA. Mr. Chairman, may I say that it is my recognition of Senator Barrett's previous experience that led me to make the suggestion that I did.

Senator BARRETT. Mr. Chairman, I will say that I appreciate the statements made by both of my colleagues, and while I am concerned that we work out a plan here that will coordinate the activities of both the Army engineers and the Bureau of Reclamation, yet I am constrained to say that I think that there still remains a big broad field where the Department of Agriculture can go in and work very effectively and to a very sound purpose with the local communities all over the country and help the people in those communities do things that the individual land owners cannot possibly do by themselves.

Senator CASE. And which are not being done by either the Corps of Engineers or the Bureau of Reclamation at this time.

Senator BARRETT. That is right. And I might say, Mr. Chairman, that it has been my judgment that over the years the Army engineers and the Bureau of Reclamation both have not been too interested in these right small projects that I am thinking of myself in connection with this legislation. I know that the Bureau of Reclamation is more concerned with big projects, and for that reason when I was Governor of Wyoming I advocated the institution of a natural resource board which had for its purpose the granting of State loans for the construction of small irrigation projects. The board has been proceeding along that line. And of course the Congress will do pretty much the very same thing under the small projects bill, which we hope will be acted on yet this year.

But, still, even with it all, I believe the Department of Agriculture can do a splendid job in this field on a nationwide basis.

I appreciate the comments here, and I will be glad in preparing my formal statement to review some of those various problems.

Thank you very much, Mr. Chairman.

Senator KERR. Thank you, Senator.

All right, Mr. Peterson.

**STATEMENT OF E. L. PETERSON, ASSISTANT SECRETARY OF
AGRICULTURE**

Mr. PETERSON. Mr. Chairman and members of the committee, we appreciate the opportunity of appearing before your committee to discuss proposed amendments to the Watershed Protection and Flood Prevention Act provided for in House bill 8750 and Senate bills 3023, 3243 and 3371.

The Watershed Protection and Flood Prevention Act, Public Law 566 of the 83d Congress, authorizes one of the basic programs administered by the Department of Agriculture. Its primary purpose is to provide Federal assistance to local units of government in carrying out those soil and water management measures of a community nature that cannot reasonably be accomplished by individual landowners and operators with help provided through other departmental programs of educational, technical, financial, and credit assistance. Public Law 566 provides a mechanism through which may be bridged the gap between the conservation work of farmers and ranchers, and the major projects on our Nation's rivers carried out by Federal construction agencies such as the Corps of Engineers and Bureau of Reclamation.

The widespread interest in small watershed projects is evidence of a recognition of need for this kind of work. Small watershed projects, coupled with soil and water conservation practices which individual farmers apply on their own farms, are logical first steps in the management of water for beneficial use.

The act provides for local initiative in water management and for proper use and treatment of the land as an essential step in water management. Experience to date under this act and earlier experience with the demonstrations completed or nearing completion in the pilot watershed projects show that there is an essential place for small watershed projects in the development of water resources of this country for beneficial use of our citizens.

A distinguishing feature of small watershed projects is that land treatment becomes an early consideration in the management and use of water. It is the objective of these projects to develop and increase the usable water supplies by beginning the control and management of water on the fields and forests where it first falls as rain or snow. Developing and making the fullest possible use of our water supply for irrigation and other productive uses, as well as for flood prevention and drainage, requires a combination of both engineering and land management practices. Water management must be compatible with the management requirements of successful farming operations and with the need of urban communities that make up the watershed, if we are to meet the increasing demands on water supplies. A necessary consideration in the development of small watersheds for the maximum beneficial use of the water which falls upon them is the interrelationship of land and water.

We view the work in small watersheds to be a desirable complement to other necessary work on the larger rivers. Where there are direct relationships between upstream and downstream developments they are being taken into account in the planning of watershed projects and in reviews of the work plans by all State and Federal agencies who may have water-resource responsibilities.

We have been encouraged by public acceptance of the provision of the act that watershed projects are to be local projects with assistance from the Federal Government rather than projects planned and built by the Federal Government. We have been pleased with the willingness of local communities to assume development and management responsibility, and with the action of State governments to provide enabling legislation that permits local communities to take on these responsibilities.

It would be difficult to name any legislation enacted in recent years which has had more widespread favorable reception throughout the country than has the Watershed Protection and Flood Prevention Act.

The Governors of each of the 48 States have designated State agencies or made other appropriate arrangements to handle the review and approval of applications for assistance under the act. In order to strengthen the position of States and local organizations to participate in this program, 25 States have enacted 45 separate pieces of legislation since the passage of Public Law 566 in August 1954; this, in itself, is impressive of widespread public interest. In less than 24 months the Soil Conservation Service has received 541 State-approved applications for assistance under the act. Our information indicates that several hundred additional applications are being formulated or are before State agencies for review.

The Soil Conservation Service has to date approved planning assistance to local organizations in 172 watersheds in 45 States. All of these approvals have been based on priority recommendations of the State agencies which have the approval responsibility.

Thus far, 24 plans have been completed and submitted to the Congress. Thirteen projects have been placed in operation. Five of these plans which required resolutions of approval by the Congress have been reviewed and approved by the Senate Committee on Agriculture and Forestry and by the House Committee on Agriculture. Four additional plans have been completed and are in the process of transmittal to the Congress, and four more plans are under review by other Federal agencies. We estimate that more than 50 additional plans will be ready for submission to the next Congress when it convenes in January.

The Soil Conservation Service, with assistance from the Forest Service, has essentially completed its organization for providing planning assistance in all States in the country. Thirty-nine planning parties have been formed, some of them to serve two States. In some States a backlog of applications is developing.

Experience gained during the 2 years of operations under this Act has indicated the desirability for certain amendments to extend its scope and improve its operation. These amendments would put the Federal Government in a better position to meet more fully the needs and desires of local organizations which have applied for Federal aid in flood prevention and water management.

The Secretary of Agriculture made recommendations in letters dated April 16, 1956, to the President of the Senate and the Speaker of the House for certain amendments to the Watershed Protection and Flood Prevention Act. These amendments were cleared with the Bureau of the Budget. I would like to submit a copy of these amendments for your record at this point, Mr. Chairman, if I may.

Senator KERR. Very well, sir.

(The amendments referred to are as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 16, 1956.

THE PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft of amendments to the Watershed Protection and Flood Prevention Act (Public Law 566, 83d Cong.) agreed to with the Bureau of the Budget as indicated in the enclosed letter of March 19, 1956.

The Department of Agriculture recommends enactment of this legislation as a means to enable it under its established programs to more adequately meet the needs for the conservation of water resources and the expanding use of water and to accomplish, as an integral part of the agricultural services already familiar to farm people, the purposes sought by Title II of H. R. 5881 (currently in conference).

The recommended draft bill would revise the definition of works of improvement as contained in section 2 (1) of the act to include in addition to flood prevention, "associated measures for the conservation, development, utilization, and disposal of water"; would provide that the Federal Government shall not bear, under the provisions of the act, that part of the construction cost for providing any capacity in structures for any purpose, except capacity for flood prevention, which is applicable to the production of direct identifiable benefits; would authorize the Secretary to make long-term loans in amounts not in excess of \$5 million on any single plan for works of improvement to local organizations to finance the local share of the costs; and would make the act also applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

Since all proposals for projects under Public Law 566 must be initiated by local agencies and the required sharing of costs by such agencies will differ on different projects it is not possible at this time to foresee what effect the amendments would have on requests for assistance.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation and explanatory letter to the Congress for its consideration.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 19, 1956.

The honorable the SECRETARY OF AGRICULTURE.

(Attention Mr. Carl R. Sapp, 104-A, Administration Building.)

MY DEAR MR. SECRETARY: This is in reply to Assistant Secretary Peterson's letter of February 24, 1956, and Mr. Wheeler's earlier letter of January 24, both on the subject of amendments to the Watershed Protection and Flood Prevention Act. It will also serve to confirm agreements subsequently reached informally among representatives of the Department of Agriculture, the Department of the Interior and the Department of Defense, the Public Works Coordinator, and the Bureau of the Budget as to revisions in the original draft proposal of the Department of Agriculture. There is attached a copy of the amendment in its final form. Copies of his letter and attachment are being sent to the organizations which participated in the discussion of the amendments.

It is understood by all of the interested agencies that the close relationship between this draft bill and statutes with related purposes will necessitate the careful regulation of policy and operations under the different statutes. Only by such regulation will it be possible to assure consistency of policy in such matters as loans (including those where "excess" land is involved) and cost and benefit allocations, and to eliminate potential duplication of effort.

You are advised that there is no objection to the presentation of the draft bill in its revised form to the Congress for its consideration.

Sincerely yours,

ROGER W. JONES,
Assistant Director for Legislative Reference.

A BILL To amend the Watershed Protection and Flood Prevention Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Watershed Protection and Flood Prevention Act (Act of August 4, 1954, 68 Stat. 666) is amended as follows:

(a) That part of the definition of the term "Works of improvement" as contained in section 2 of the Act which reads "(1) flood prevention (including structural and land-treatment measures)" is amended to read: "(1) flood prevention and associated measures for the conservation, development, utilization, and disposal of water (including structural and land-treatment measures)."

(b) The proviso in paragraph (2) of section 4 of the Act is amended to read: "*Provided*, That the Federal Government shall not bear, under the provisions of this Act, that part of the construction cost for providing any capacity in structures for any purpose (except flood prevention) which is applicable to the production of direct identifiable benefits."

(c) The Act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the Act to conform:

"SEC. 8. The Secretary is authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan is made, which are neither due nor callable for redemption for 15 years from date of issue. *Provided*, That, with respect to any single plan for works of improvement, the amount of any loan shall not exceed \$5,000,000.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

Mr. PETERSON. The first amendment relates to broadening the purposes of the act. The Secretary's proposal would revise the definition of "work of improvement" as contained in section 2 (1) of the Watershed Protection and Flood Prevention Act to include, in addition to flood prevention, "associated measures for the conservation, development, utilization, and disposal of water." This amendment would permit the inclusion of water storage in flood-detention structures for other purposes such as irrigation or municipal water supply. It would also permit storage and release of water in a structure to maintain the low flow of streams for stock water, for maintaining fish and wildlife and for abating pollution:

This amendment would eliminate the restriction of the act to flood prevention and agricultural water management measures providing the other types of water management, such as municipal water supply or fish and wildlife improvement, were associated with flood prevention. This would permit the utilization of sites for small dams for multiple purposes. It is generally conceded that all available dam sites should be utilized for all purposes which they might properly serve in order to achieve the maximum possible beneficial use of available water. Any arbitrary restriction in their use tends to defeat this objective. Local people who are required to initiate, construct, operate, and maintain watershed projects under the terms of Public Law 566 should not be precluded from including those non agricultural phases of water development and use which are physically practical and economically justified.

This amendment would also delete the proviso clause now in the act which prevents the Department from sharing in the cost of storage for purposes other than flood prevention.

The second proposed amendment specifically defines what the cost sharing should be for capacity in structures for purposes other than flood prevention. The amendment states—

That the Federal Government shall not bear, under the provisions of this Act, that part of the construction cost for providing any capacity in structures for any purpose (except flood prevention) which is applicable to the production of direct identifiable benefits.

This amendment would leave unchanged the authority of the Secretary to determine what shall be considered an equitable sharing of construction costs for flood prevention capacity in consideration of anticipated benefits.

This amendment provides, however, that the Secretary may not share in the cost of capacity for purposes other than flood prevention to a greater extent than would be determined by the ratio of indirect or community benefits to total benefits.

Senator KERR. That leaves me in a state of slight confusion. Do you suppose you could explain it in other words that would accomplish the very worthy aim of eliminating that degree of confusion?

Mr. PETERSON. I should be glad to try, Mr. Chairman.

Senator KERR. Maybe I could ask you a question. Would the effect of this amendment be to prevent the Federal Government doing what has heretofore been suggested, and that is paying for the capacity of the structure allocable to municipal water supply and then receiving reimbursement from the affected community over a period of years?

Mr. PETERSON. No—

Senator KERR. Or would it permit that?

Mr. PETERSON. I believe it would, Senator. The amendments such as the Secretary proposed have within them a loan provision. It was not contemplated at the time the amendments were proposed that a reimbursement procedure as you suggest would be included. But I think either method might be used to reimburse the Federal Government for advanced costs.

Senator KERR. Are you in a position to say that if the bill contained such provision and corresponding otherwise to your amendment, that that particular provision would be acceptable?

Mr. PETERSON. It would seem to me so. I think that the loaning provision and the proposal that you make are not incompatible one with the other.

It would perhaps be well to explain here that in project evaluation studies made by all Federal agencies, benefits are divided into two general classes: (1) Those which are direct and can be identified with particular beneficiaries, and (2) other benefits which have been variously called indirect, secondary, or community benefits which occur within or outside of the project area to the public generally. For example, to make the case as simple as possible, if enough storage were provided in the floodwater detention structure to irrigate 100 acres of land, the direct benefits would be the increased net income resulting from irrigation of the crop grown on the land. The farmer would be the direct beneficiary. However, the crops grown on this land would have to be transported to some point of sale and prepared for introduction into marketing channels. The increased income resulting from transporting and processing is classed as an indirect benefit which accrues to various people usually not identifiable in advance. It has been generally considered sound public policy to use public funds to cover costs allocable to these indirect or community benefits.

This principle applies in the justification under Federal reclamation law of interest-free loans for irrigation development.

The Department does not favor the amendment in H. R. 8750 which would prohibit the Secretary from requiring that local organizations shall assume any part of the construction cost of structural measures applicable to flood prevention. We feel that this amendment in H. R. 8750 defeats the concept of cost sharing presently embodied in the act which provides that, "local organizations shall assume such proportionate share of the cost of any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of the anticipated benefits from such improvements." In other words, cost sharing should be determined as between the local sponsors of projects and the Federal Government on the basis of the ratio of direct identifiable local benefits to total benefits and local landowners or other benefited interests should participate in projects cost to the extent of their benefits with due regard to all the variable and peculiar circumstances as between the many small projects susceptible of development under the provisions of the act. As to projects developed thus far we have attempted to fully recognize the individual peculiarities of each.

We believe that the success of this program depends on acceptance by local communities of responsibility for project initiation and for direct participation in project costs. People must first believe and be convinced in their own judgments that projects are of benefit to themselves and their communities. This is the basis on which the projects to date have been planned and proposed by local organizations.

Many local organizations which have sought assistance under Public Law 566 have already found it difficult or impossible to obtain commercial loans at reasonable rates of interest for meeting the local share of project costs. Therefore, this Department has recommended an amendment to Public Law 566 to provide for Government loans at the long-term Federal borrowing rate to enable local organizations to carry their appropriate share of the project costs. The Secretary's recommendation differs slightly from the comparable amendment in H. R. 8750. It provides more specific criteria for determination by the Secretary of the Treasury of the applicable long-term interest rate. It also limits loans to not more than \$5 million on any one project.

Senator KERR. Would a provision with reference to this responsibility that the Federal Government might pay the costs and then have a contract for reimbursement be of sufficient substance to meet your suggestion in this regard?

Mr. PETERSON. As I said earlier, Senator, it seems to me that the net result is comparable in either case.

Senator KERR. All right.

Mr. PETERSON. The Secretary's recommendation would extend the provisions of Public Law 566 to Hawaii, Alaska, Puerto Rico, and the Virgin Islands. It is the same provision contained in H. R. 8750. It is our understanding that the omission of the Territories was an oversight in drafting the original act. We believe it to be equitable and fair that the provisions of the act should be extended to the Territories.

H. R. 8750 and other bills contain various amendments that are not included in the Secretary's recommendations.

One amendment in H. R. 8750 would set up certain conditions under which a structure providing more than 5,000 acre-feet of total capacity may be included in a watershed plan. These conditions are (1) that the structure will be constructed by a local organization as an integral part of the watershed plan, (2) that the flood-prevention capacity of the structure will not exceed 5,000 acre-feet, and (3) that the construction cost of capacity in excess of 5,000 acre-feet will be borne entirely by the local organization. This amendment would permit the inclusion of flood-prevention storage at sites which local organizations wish to utilize for other purposes. For example, if a municipality wishes to build a municipal water supply reservoir, but at the same site up to 5,000 acre-feet of flood-prevention capacity could be incorporated in the structure to be built by the municipality, such a structure could be included in the plan. The Department could share in the cost of the flood-prevention storage but the municipality would be required to pay for the entire cost of all storage over 5,000 acre-feet.

Senator KERR. Well, now, to pay for that by reimbursing the Federal Government who has already paid for it—

Mr. PETERSON. There are various arrangements under which that could be accomplished. That is the current one, I believe, Senator.

Senator KERR. Yes.

Mr. PETERSON. We have worked out several arrangements of this kind in the 11 watersheds authorized under the Flood Control Act of 1944 and in the pilot watershed program. This amendment is consistent with the position we have taken that these projects should provide for inclusion of features to provide for all beneficial use of water which are economically justified. Our experience thus far would indicate that this provision would find application only in a limited number of watershed projects.

Another amendment in H. R. 8750 would strike out the terminal date of July 1, 1956, after which the Department of Agriculture could, in no event, contract for works of improvement. We are advised that this amendment would have little or no practical effect since the act would still prohibit the Secretary from contracting improvements whenever a local organization had legal authority to do so. Actually, this legal authority is inherent in the capacity of a local organization to carry out, operate, and maintain works of improvement, which is a prerequisite to making an application for assistance under the act. We believe that local contracting for structural works of improvement should be maintained as a matter of principle. We reiterate that these are local projects with Federal assistance rather than Federal public works. Hence, we oppose this amendment.

Another amendment provides for exemption of projects involving a Federal contribution of less than \$250,000 to the construction cost of structural works of improvement from review by other Federal agencies and transmission to the Congress. There is an interrelation between small and large water-resource projects that should not be overlooked when there is a practical and significant relationship. In view of the nature of growing demands for usable water supplies we believe it is desirable to provide for review by all agencies with water responsibilities. We want to eliminate all unnecessary administrative steps, but in view of increasing water-project developments, we believe a review procedure is important.

Our experience this far under the act has brought us to the conclusions here expressed. We expect further experience will lead to additional suggestions for changes. In administering this act we are doing our best to make it serve the real and practical need which was envisaged when it was enacted and which local watershed communities believe it can serve. In doing this, we hold to the philosophy that these are local projects with Federal participation, not Federal projects with local participation. Amendments which would tend to make these Federal projects, we believe, would not be desirable.

In closing, I would like to emphasize again the place of the management of our farm and forest lands in our total water conservation program. Water is first an agricultural resource. Its conservation and use is first a problem of our farmers and landowners. The water which runs off the lands and enters the river systems of the country subsequently acquires other problem characteristics.

For too long the simple fundamental fact about the association of water and land management was overlooked. The passage of the Watershed Protection and Flood Prevention Act and the legislative history in the agricultural committees of the Congress has crystallized a policy that recognizes the direct interrelationship between our water resources and the land upon which it falls as rain or snow. Within each watershed this interrelationship of land management and water management is first an agricultural problem confronting farmers and landowners or operators as they deal with drought and floods, with irrigation and drainage, or with erosion control and sediment.

When the President signed this legislation he said in part:

How much water runs off, and how fast, and how much soaks in to feed crops and springs—these quantities depend in large measure on what kind of land it falls on, what this land is used for, and what kind of cover—trees, grass—the land has.

That is why the Department of Agriculture has such a great responsibility in this water picture. It is an agricultural function to assist farmers, ranchers, and forest owners with land use and water management practices on watershed lands where the rain first falls and where the first productive users of the water are made, and where the first steps can be taken to control its destructive force.

Thank you.

Senator KERR. Thank you, Mr. Peterson. Are there questions?

Senator HRUSKA. Mr. Chairman, I should like to ask Mr. Peterson with reference to cost allocation whether or not the percentage of the cost of construction of the structure itself which the local organization is required to assume is affected at all by the amount that this local organization is required to expend for the purpose of getting rights-of-way and easements and to assume the cost of maintenance thereafter?

Mr. PETERSON. Yes, it is, Senator Hruska. The first approach that we use in determining the cost-sharing arrangements is to use the principle of the direct identifiable benefit ratio to total benefits. When the costs which the local organization would then pay under that formula are developed, we take into account the total project and, frankly, a judgment is applied. The local people are required to undertake, as you know, land-treatment measures, fencing, reseeding, changes in farming practices, provision for sod waterways, and other practices which have an effect on the rate of insoak of rainfall or the

rate of runoff. That is a cost to the local organization. The land easements and rights-of-way are a cost. The cost of maintenance, capitalized cost, is a cost. Contracting is a cost. All those are evaluated. A judgment is then applied. In each local circumstance, and in most of them that I have personally reviewed, a transfer of what would otherwise be local cost to Federal cost has been made.

Senator HRUSKA. Now, you say the element of judgment enters into the final result, and it is an element of judgment which is somewhat subjective in nature; is that not true?

Mr. PETERSON. Unquestionably that is true, sir.

Senator HRUSKA. And yet would it be fair to say that that element of judgment is not only hedged in but that it is guided by several very definitely stated standards which are the predominant characteristics in reaching the ultimate result?

Mr. PETERSON. I think that is a fair statement to make, sir.

Senator HRUSKA. And that is one of the features of the present law which the Department feels should be retained?

Mr. PETERSON. We do feel it should be retained. I might comment that in view of the questioning which went on earlier in this hearing the principle that we hold to, we think, is equally applicable to other public works, namely that when a property owner or an individual in his individual capacity has anything he owns enhanced in value because of a Federal program of public work or assistance as of this character, then that person who has the thing which he owns, which is of value, enhanced in value, should contribute something to the cost of creating that enhanced value.

Senator KERR. You apply that to navigation and highways?

Mr. PETERSON. I think it should be applied, Senator. Admittedly, it is not under the present circumstances.

Senator KERR. Do you think that presently there is a requirement of that kind in regard to navigation and highway projects?

Mr. PETERSON. I do not believe so, sir, not in navigation nor in flood control.

Senator KERR. Would you, then, say that you would make it applicable to farmers in reference to projects benefiting them because you believe it is a principle that should apply to all, or would you limit that by saying it should apply to all and be made applicable to the farmers when it is made applicable to others?

Mr. PETERSON. Senator, that is a nice question.

Senator KERR. I think it is too, and I would like to have it answered.

Mr. PETERSON. Someone has to take a stand on the issue of the expenditure of Federal money which results in enhancement of values to private persons and rightly or wrongly we have taken that position.

Senator KERR. Well——

Mr. PETERSON. Now, there is one other characteristic—excuse me, sir.

Senator KERR. I want to ask you this. Let us admit, for the sake of argument, that that is a desirable objective. In making it applicable, do you think it should be applicable piecemeal or do you think that it should not be made applicable to a limited percent of the people prior to its being made applicable to all of the people?

Mr. PETERSON. Certainly the desirable approach would be to make it applicable to all at one time, Senator. Most of these programs have developed over a long period in our history with varying pieces of

legislation developed under varying and different conditions. I question, in my own mind at least, that the time will ever come when we will make it applicable to all at one fell swoop, so to speak.

There is one other thing that I think might be mentioned in connection with projects under Public Law 566, and that is, as I attempted to point out, these are local projects. The proposal comes from the local organization.

Senator KERR. Now, that is true only because the law directs it, is it not?

Mr. PETERSON. That is correct. But it is a distinguishing feature from other types of public work to which you just referred, sir. The local people through their local organization may make a proposal to the Secretary of Agriculture, under the terms of this act. While they are compelled under the terms of the act to follow, as you suggest, the provisions of the act, nonetheless they do in their proposals to us suggest the cost-sharing arrangements. When they believe they cannot bear the entire cost, they state the reasons in detail in the projects they propose. They offer what they themselves think they are capable of doing. And, as I said in my statement, I believe that if people believe and understand and accept the responsibility for these projects, they will be more meaningful, the projects will be more meaningful than otherwise, particularly in view of the fact that the landowners have certain things which they have to do in their land-management practices to make these projects fully valuable.

Senator CASE. Mr. Chairman.

Senator KERR. Senator Case.

Senator CASE. If I might, I would like to ask a question there. Mr. Secretary, do you mean that the division as to sharing of cost is in each case a proposal by the local sponsor of a project?

Mr. PETERSON. That is correct, Senator Case.

Senator KERR. That is required, is it not, under the law?

Mr. PETERSON. The law requires that the Secretary shall establish an equitable cost-sharing arrangement.

Senator KERR. Do you not have a regulation that requires it or that tells them an application would not be considered unless it has within it a proposal by them of what they will contribute?

Mr. PETERSON. I do not believe it is stated in just those words, Senator. We say this---

Senator KERR. Is that not the practical effect of it?

Mr. PETERSON. No, I do not believe so. We say this, that the cost sharing shall be on the basis of direct identifiable benefits to the total benefit, when that ratio is applied to costs. Then the local people propose to us such modifications as they feel are equitable in that application, and we then review their proposal.

Senator KERR. Then the suggestion that they make as to what cost they will pay is the result of either the provision in the law or the regulations of the Department, or both, is it not?

Mr. PETERSON. Not precisely, Senator, because---

Senator KERR. Well, almost.

Mr. PETERSON. No, sir, because we attempt to evaluate the differences between all of these small projects. There are no two individual communities which are precisely the same, either the capacity to pay, the type of results, or hydrologic and economic results that are to be obtained. We had to have a beginning point someplace to determine

that cost-sharing arrangement. Therefore we took this ratio of which I have spoken. When the local people understand what the costs would be under that ratio, then under the light of their own circumstances, with their own initiative they propose to the Secretary what they feel they are willing to put forth.

Senator KERR. Is that by reason of an indication that that will be considered?

Mr. PETERSON. Yes, we have considered it and do consider it.

Senator KERR. Well, but do you indicate that to them before this proposal is made out by them?

Mr. PETERSON. Yes, sir.

Senator KERR. Well, that is what I was asking you.

Mr. PETERSON. Well, I am sorry I did not get to it directly, sir.

Senator CASE. Let us see how this works out. How many projects have been proposed to the Department at departmental level?

Mr. PETERSON. I will have to inquire of Mr. Brown on that one.

Mr. BROWN. Sir, we are in the course of planning 174 projects. Thirty of those projects have been approved in the office of the Secretary, and twenty-four of them sent to the Congress.

Senator CASE. All right. Of those 30 which have received approval at departmental level, what is the total size, what is the average size of those projects and what is your lowest and largest?

Mr. BROWN. In terms of dollar cost, the total program, including the land treatment and structural measures for all 30 projects would be \$35,622,000, or an average of \$1,187,000 per project. Now, the smallest one of those projects involves a total cost of only \$60,500. The largest of the projects involves a cost of \$5,561,000.

Senator CASE. What is the average Federal share?

Mr. BROWN. The average Federal share of the cost is 44.6 percent, or an average of \$529,400.

Senator CASE. Now, how many of those—in how many of those projects would the Federal share be less than \$250,000?

Mr. BROWN. The Federal share would be—now, Senator, let me explain that if the provision is included in H. R. 8750 which would shift all of the construction costs over to the Federal side, there would then 20 out of the 30 projects which would have a Federal cost of less than \$250,000.

Senator CASE. In other words, then, two-thirds of the projects would not be subject to the review required by present law if the amendment proposed by 8750 were adopted?

Mr. BROWN. That is correct, sir.

Senator CASE. Now, what is the position of the Department, Mr. Peterson, with respect to that elimination of the review procedures with the \$250,000 as the cutoff line?

Mr. PETERSON. Well, Senator, let me preface my answer to your question by saying this: We believe water is the No. 1 problem in the country. Our information is that the use of water will double in the next 25 years. We think that there will be a great acceleration in water development of all kinds forced by economic necessity. In view of that fact, we think the review procedure should be retained. We do feel, however, that if the Congress sees fit, the Congress can arrange its own position with respect to the time that these projects should be before the committees of the Congress—and it could distinguish as

between size of projects as for time of review. But we do think there is an interrelationship between the effect of small projects system of which they are a part on the flow of the main stems of the river and water yield and related factors, and because there are other agencies in this field, both State and Federal, we think the review procedures should be retained.

Senator CASE. I noticed in your preface there that you said that you are advised that the—I think you said “use”; I assume you mean “consumption”?

Mr. PETERSON. That is correct.

Senator CASE. That the consumption of water will double in the next 25 years.

Mr. PETERSON. That is our information.

Senator CASE. I remember General Sturgis said to this committee a year ago, Mr. Chairman, that the amount of water had quadrupled in 50 years, that is, the amount of water used; but when you take into consideration the increasing population, it meant that we had doubled the consumption of water in this country in 50 years. Now, are you suggesting that the next 25 years will double the—

Senator KERR. Demand.

Senator CASE. The demand?

Mr. PETERSON. That is the information that we have. It is estimates, to be sure. May I say this—

Senator KERR. Does the Corps of Engineers have an estimate on that, General Itschner?

General ITSCHNER. I think that that estimate has been made by a number of reliable authorities, sir. It depends a lot on speculation as to population increases. But more than anything else, the country will develop a greater need for water per capita. I believe that probably is as good as anybody can estimate at this time.

Senator KERR. Thank you.

Senator CASE. I was just drawing it to your attention because that would mean in the next 25 years we are going to double as against the last 50, or are you modifying that by the increasing population?

Mr. PETERSON. Now, I think this, Senator Case, that if that is a reasonably correct estimate, that it is necessary to develop the maximum insoak of water for underground storage. Right now there are many areas in the country where the drawdown on underground supplies, so I am advised, is depleting those supplies. These small projects—

Senator KERR. Well, is there any place that that situation does not prevail?

Mr. PETERSON. Not that I know of, Senator Kerr. That makes it important the surface of the land be handled in such a way that there results the maximum utilization of the water that falls, either by insoak to increase underground water or retention and release from surface reservoirs.

Senator KERR. Is that the reason you think this review procedure should be retained?

Mr. PETERSON. The reason I think it should be retained is because of the accelerating work of all water management agencies will bring them into such close relationship, one with the other, that the review procedure should be retained so that each agency may be fully aware and take account of what occurs in this area of work.

Senator CASE. Well, is it conceivable that any of these smaller projects would reduce the insoak of the water?

Mr. PETERSON. We think to the contrary, Senator Case.

Senator CASE. Let me ask this question: What has been the lapse of time between the time that a project has been recommended to you by a State agency and the date of its final approval under the present law?

Mr. PETERSON. May I ask Mr. Brown to respond to that question, sir?

Mr. BROWN. Well, Senator, the first of the projects were recommended by the State agencies within a matter of a month or two after passage of the Act in August 1954. They have taken a variable time to actually accomplish the planning in the field. The first projects that are now or have been before the Congress were submitted to other Federal agencies for review on October 10, 1955. The first of the first 13 projects which were approved were submitted by the Bureau of the Budget to the Congress on April 20, 1956.

Mr. PETERSON. I might say, Senator Case, that in the initial starting of this act that my own view is the steps to be taken have been much slower than they are at present. With your permission, I would like to ask Mr. Brown to advise the committee as to what the present time lapse is in the presentation of a project from the State organization and its going through the steps within the Department.

Senator KERR. That is a very good question.

Senator CASE. I would like to have that done, but I would like to have it done with special reference to the time required by the Bureau of the Budget, Mr. Chairman. I believe in the principle of review by the Bureau of the Budget on legislation that costs money, generally speaking, but I really think that the review of the Bureau of the Budget should be primarily fiscal in character and not of an engineering or water conservation type; that is, I think the Bureau of the Budget on matters like this should be concerned with the fiscal effects. I do not believe that the Bureau of the Budget should be a second estimator or second guesser on the engineering and conservation features.

Mr. PETERSON. I would agree with that.

Senator CASE. On small projects.

Senator KERR. Off the record.

(Discussion off the record.)

Senator KERR. Are there further questions of this witness?

Senator HRUSKA. Mr. Chairman, will we in due time get the comments of Mr. Brown with reference to the time scheduling of these applications; that of interest to the committee at this time?

Senator KERR. Well, we will get anything that any member wants.

Senator HRUSKA. It was suggested by Mr. Peterson that Mr. Brown be permitted to speak to that point. Now, if it is pertinent at this point, unless it is going to be covered by someone else——

Mr. PETERSON. Excuse me, that was the time that it is presently taking——

Senator HRUSKA. That is correct, after the pioneering of this legislation has expired.

Mr. BROWN. Well, Senator, it appears that the average time from the initiation of the average application until it gets its final approval in the Congress would probably be on the order of 1 year; considering the time required for planning of these projects which will depend again on the size of the projects, it may run from 3 months to 6 months or longer, and the prescribed time allowed for review by other Federal agencies, which is 60 days, a 45-day period allowed for the project to lay before the Congress, we would estimate that 1 year would probably be a minimum average figure. Some will take longer.

Senator HRUSKA. Does not the planning precede the submission of the application?

Mr. BROWN. No; that follows the application. The first step is the application by the local organization referred to the State agency for approval. When it is approved and transmitted to the Department of Agriculture, that is when it is acted upon from a planning standpoint.

Senator CASE. Who does that planning?

Mr. BROWN. The technical assistance is provided by the Soil Conservation Service with the assistance of the Forest Service and by other Federal agencies where there are concerns of those agencies.

Senator CASE. Well, at the local level.

Mr. BROWN. Yes, sir, in the watershed. It is a planning assistance to the local organization in the project area.

Senator CASE. Have you found it necessary in connection with any of the projects that are approved to exercise the authority for contracting that is permitted under that third proviso?

Mr. BROWN. No, sir. There have been no contracts let to date, and, of course, that proviso has now expired anyhow in terms of the present law. After July 1, 1956, the Department could not legally contract for any improvement.

Senator CASE. Well, if you strike out that 1956 limitation, you would still have the authority, would you not?

Mr. BROWN. Yes, sir, but we have not found any case thus far where the local organization does not have the authority to contract; therefore we would be prohibited in any event.

Senator HRUSKA. If that is true, however, the retention of that July 1, 1956, date would do not harm, would it?

Mr. BROWN. That is correct.

Senator CASE. Mr. Chairman, this certainly is a most important program. I am glad the Department of Agriculture is working on it, and I am glad that it is being approached sympathetically. I hope that this committee can report this bill or a bill in such a fashion as to expedite the program and assist the Department in expediting it.

Senator KERR. Well, I would certainly share the Senator's wishes.

If there are no further questions of Mr. Peterson, the committee will recess until 2 o'clock, at which time Mr. Stevens, of the Department of the Interior, will be before us, and then we will hear the other witnesses through the afternoon that have been scheduled for appearance.

(Whereupon, at 12:35 p. m., the hearing was recessed, to reconvene at 2 p. m., the same day.)

AFTERNOON SESSION

Senator KERR. Our next witness is Mr. Stevens.

STATEMENT OF THEODORE STEVENS, ACTING LEGISLATIVE COUNSEL FOR THE DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY DAN MCCARTHY, CHIEF, PROGRAMS AND COORDINATION BRANCH, BUREAU OF RECLAMATION

Mr. STEVENS. Mr. Chairman, my name is Theodore Stevens. I am the acting legislative counsel for the Department of Interior. Mr. Dan McCarty is also with me. He is the Chief of the Programs and Coordination Branch of the Bureau of Reclamation. We do not have a prepared statement. Our Department was not asked to report upon this bill, although on June 19, Assistant Secretary Aandahl did report on the Ellender bill, S 3727. That bill has been agreed to by the Bureau of the Budget, the Public Works Coordinator, the Department of Agriculture, the Department of Interior, and the Department of Defense. And so far as the Department of Interior is concerned, that is the bill which we are in favor of.

As to any position on H. R. 8750, unfortunately we have not formulated an official departmental position on that bill.

I am here to urge that the provisions of S. 3727 be adopted, and that is the bill that we are interested in.

If you have any specific question concerning reclamation, Mr. McCarty, he is here to answer those.

Senator KERR. Any questions, Senator?

Senator HRUSKA. Well, Mr. Chairman, this morning we heard testimony from General Itschner in which he commented upon S. 3737. He made some suggestions—and I am wondering if it would be in order that Mr. Stevens or his companion here be given opportunity to comment on those suggestions in a statement which they could insert in the record at this point at a later time.

Senator KERR. I think that would be very appropriate. Do you have any remarks that you care to make about it now?

Mr. STEVENS. I picked up those suggested amendments just as we left, Senator. We would appreciate the opportunity to do so, and we would be pleased to do so. We have no comments as such concerning the bill. These proposed amendments are new to us and we would like a chance to review them.

Senator KERR. And then give it to us at your early convenience.

Mr. STEVENS. Very well. Mr. Chairman, do you have some date to suggest?

Senator KERR. Well, we would be glad to have them tomorrow, but that is a holiday.

Mr. STEVENS. Very well. I will try to have them Thursday, sir.

Senator KERR. But Monday would be in plenty of time, or Tuesday if it would be of some help to you. I said at your earliest convenience, and I thought that would let you have enough leeway. I think it would also be appropriate for the Department of Agriculture to comment on the suggestions made by General Itschner.

Mr. STEVENS. Thank you.

(The material referred to above is as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D. C., July 9, 1956.

HON. ROBERT S. KERR,

*Chairman, Subcommittee on Flood Control and Rivers and Harbors,
Committee on Public Works, United States Senate.*

DEAR SENATOR KERR: In response to your request during the hearings on July 3, 1956, on H. R. 8750, a bill to amend the watershed protection and flood prevention act, we are providing the following comments on the four amendments to this bill suggested by the Chief of Engineers, United States Army:

1. The first amendment suggested by the Chief of Engineers would add a proviso "that not more than 50 per centum of the total capacity of the structures shall be for purposes other than flood prevention." The Corps' argument for this amendment is that it would "retain the policy that the watershed program are designed primarily for flood damage reduction."

We consider that this is a misinterpretation of expressed congressional intent in enactment of Public Law 566. Flood prevention is 1 of the 2 coordinate and coequal purposes of works of improvement installed under the provisions of the act, the second of which is "the agricultural phases of the conservation, development, utilization, and disposal of water." H. R. 8750 and all other proposed bills to amend Public Law 566 would broaden this second purpose to include not only agricultural but also nonagricultural phases of the conservation, development, utilization, and disposal of water.

The amendment suggested by the Chief of Engineers would have the effect of placing an arbitrary restriction on the allocation of capacity in any structure. The capacity needed in any structure for flood prevention is totally unrelated to the amount needed for any other purpose, such as municipal water supply or irrigation. Under the proposed amendment if the amount of flood prevention storage needed were 1,000 acre-feet, the allowable maximum for municipal water supply at that site would be 1,000 acre-feet. If the capacity needed for flood prevention were 5,000 acre-feet, then 5,000 acre-feet of municipal water supply storage could be provided. This restriction would obviously prevent the utilization of a given reservoir site in accordance with the particular needs for different kinds of storage at that particular site.

The Department has no objection to placing an overall ceiling, such as 25,000 acre-feet, on the total capacity that may be developed at a single site nor to a ceiling on flood-prevention capacity to some lesser figure, such as 5,000 acre-feet. It does strenuously object, however, to requiring that capacity for one purpose should be related to or limited by the capacity for another purpose.

2. The second proposed amendment does not appear to be inconsistent with policy of this Department. Under Public Law 566 and our proposed amendments thereto, all works of improvement must be constructed by local organizations, regardless of purpose or maximum size permitted. This Department is opposed to a Federal contribution to the construction cost of capacity for municipal and industrial water supply. A cash contribution to the cost allocated to not more than 5,000 acre-feet of capacity for flood prevention is provided for in the present act and would be continued under the proposed amendment.

To achieve the purposes of Public Law 566, reservoirs must be planned as a part of the total watershed development. The Department is opposed to providing any financial assistance to local organization for any reservoirs unless these are integral parts of a watershed plan for works of improvement. If this amendment is considered by the committee, it is suggested that the word "planned" in the fourth line of the amendment be deleted in order to avoid the possible interpretation that the Federal Government would participate in a reservoir to be planned as a separate and distinct unit and not a part of a watershed plan by a local organization.

3. We do not consider that the third amendment adds substantially to the other amendments already under consideration by the committee. If it is to be considered, however, there needs to be a more explicit definition of what Federal laws shall be taken into account.

4. This Department is opposed to the fourth proposed amendment by the Corps of Engineers. One of the primary purposes of Public Law 566 is to provide needed and otherwise unavailable technical assistance to local organizations in developing integrated plans for land treatment measures and associated struc-

tural measures on small watersheds. The entire concept and purpose of "watershed protection" authorized by the act is to bring together in one program the beneficial effects of a combination of land treatment measures and small structural measures. One group of measures is directly dependent upon the other and the total program must be planned and designed as a single unit. In this respect Public Law 566 and the proposed amendments thereto are distinctly different from the provisions of the small reclamation projects bill, H. R. 5881, which contemplates Federal loans to local organizations for development or rehabilitation and betterment of individual structural facilities such as storage reservoirs, diversions, canals, etc., without regard to related land treatment needs on the one hand or coordination with downstream works of improvement on the other hand. As the representative of the Chief of Engineers has pointed out in his testimony and in the view of the Secretary of Agriculture, there is a need for coordination of the planned improvements on small watersheds with those planned by major construction agencies, such as the Corps of Engineers and Bureau of Reclamation. Adequate river basin coordination would be impossible to achieve if the local organizations were made solely responsible for engineering, planning, design, and supervision of construction of structural measures in small watersheds.

Federal technical aid in planning, design, and construction is foremost in importance to local organizations in developing and carrying out watershed plans under the intent of Public Law 566. In succeeding order of importance are the need for Federal financial assistance in sharing the cost of improvements and in granting long-term credit at low rates of interest to enable the local organizations to carry out their share of the job. In general, it would be much more feasible for local organizations to assume responsibility for engineering and construction on local protection works of the type carried out by the Corps of Engineers than to assume responsibility for the planning and engineering work required to achieve proper coordination of upstream watershed protection with major river developments such as downstream reservoirs.

This proposed amendment would thwart the objectives that have been so strongly stressed by the Chief of Engineers, namely, that of achieving proper and adequate coordination of watershed plans with major river developments.

We appreciate the opportunity afforded to this Department to comment on the amendments proposed by the Chief of Engineers, and would be glad to work with your committee in further consideration of the amendments needed to make Public Law 566 more effective in aiding local organizations to plan and carry out watershed protection and flood prevention projects.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., July 16, 1956.

HON. ROBERT S. KERR,

*Chairman, Subcommittee on Flood Control and Rivers and Harbors,
Committee on Public Works, United States Senate, Washington 25, D. C.*

MY DEAR SENATOR KERR: At the hearings before your subcommittee on S. 3127, H. R. 8750, and related bills, representatives of this Department were handed a typewritten document prepared by the Corps of Engineers entitled "Suggested Amendments to Public Law 566" and asked to supply for the record our comments thereon.

As you have been advised, our report of June 19, to the Senate Committee on Agriculture and Forestry recommended that S. 3727 be enacted without amendment. If H. R. 8750 is to be taken up, it is our further recommendation that it be not enacted unless it is amended to conform to S. 3727. S. 3727 would amend the Watershed Protection and Flood Prevention Act so as to enlarge the permissible scope of the Department of Agriculture's operations under that act without unduly complicating or duplicating the work of this Department in the water resources field and without setting up an enlarged program under the act on standards varying substantially from those under which the Bureau of Reclamation and the Corps of Engineers operate.

Our general comment on the Army's draft of amendments is, therefore, that we are not in a position to support them without clearance with the other Departments involved, the Bureau of the Budget, and the Public Works Coordinator.

So far as this Department's interests alone are concerned, however, and to the extent to which the Army amendments would cause H. R. 8750 to move closer to S. 3727, we believe that their adoption would be a desirable improvement in the House bill. In that regard, the corps' proposed amendment No. 1 seems unnecessary in view of their proposed amendment No. 2. The latter would limit Federal participation for flood control prevention to 5,000 acre-feet. Amendment No. 3 would require more uniformity in repayments for other than flood control capacity and equitable allocation of cost when the same capacity serves multiple uses. Amendment No. 4 would provide for the assumption by local agencies of responsibility for the engineering functions in connection with proposed structures.

This Department urges that the provisions of S. 3727 would be preferable to proposed amendments Nos. 1 and 2. Further, amendment No. 4 would, in our opinion, place an additional expense upon local organization which seems unwarranted when the majority of the structures to be erected will probably follow standard designs of the Soil Conservation Service. If adopted, at least the provision should be permissive, giving the local organization the option of providing the service if they so desire.

Amendment No. 3 might tend to improve Public Law 566, but only if reconciled with the amendment suggested in S. 3727 (section 8) regarding loans, particularly in reference to those projects in which "excess lands" are involved, and this subject requires further consideration concerning the size of the average loans, the prospective size of the proposed projects, and the relationship of the projects to the overall development of the watershed involved.

The above comments have not been cleared with the Bureau of the Budget nor the Public Works Coordinator. The comments are made at this time in answer to the specific request made to our acting legislative counsel at the hearing. Our departmental position remains unchanged; we favor enactment of S. 3727 without amendment.

Sincerely yours,

FRED G. AANDAHL,
Assistant Secretary of the Interior.

Senator KERR. I want to place into the record here a letter on this bill from Leo V. Bodine, executive vice president of the National Lumber Manufacturers Association.

(The letter is as follows:)

NATIONAL LUMBER MANUFACTURERS ASSOCIATION,
Washington, D. C., July 2, 1956.

Senator ROBERT S. KERR,
*Chairman, Subcommittee on Flood Control, Rivers and Harbors,
Senate Committee on Public Works,
United States Senate, Washington, D. C.*

DEAR SENATOR KERR: We understand that you have called a hearing for July 3 of your subcommittee to consider H. R. 8750 and related legislation.

We urge that no action be taken on H. R. 8750 or similar legislation to amend the Watershed Protection and Flood Prevention Act as insufficient time has elapsed since its enactment in 1954 to provide the necessary experience fundamental to sound change. However, if the act is to be amended it is recommended that no amendments be approved which would lessen State and local financial and other responsibility.

Our interest in this matter stems from the fact that many watersheds which may be subject to the provisions of the Watershed Protection and Flood Prevention Act are forested to a greater or less degree. Frequently substantial acreages of such forested watershed lands are owned by members of the lumber industry. Our industry is becoming water conservation conscious and we wish to cooperate in economical and well-conceived programs, believing that good forest management provides good watershed management.

Our industry believes, however, that State and local governments have a responsibility to solve their own water resource problems. We believe that Federal activity affecting water resources should be limited to those phases that are a definite Federal responsibility and that financial and other contributions of Federal, regional, State, and local interests should be made in accordance with the benefits derived.

Our study of H. R. 8750 indicates, first, that its enactment would be premature and unnecessary at present in view of the fact that so little time has elapsed

since enactment of Public Law 566, the Watershed Protection and Flood Prevention Act. It must be remembered that this law was finally approved on August 4, 1954, only after extensive hearings and debate and the painstaking development of the language constituting its many provisions. Following enactment, many months were taken by the Department of Agriculture in the difficult task of developing regulations and procedures. It can be said, therefore, that actual operations under the act have been confined to a very short period, hardly in excess of a year. We believe that additional experience should be gained, at least over the next year or two, to provide facts fundamental to sound change.

However, if the act is to be amended, we believe that no amendments should be approved which would lessen State and local financial and other responsibility. This recommendation is in line with our basic policies, which have been referred to above. Certain provisions of H. R. 8750 would appear to depart from these policies. For example, the bill provides that all of the cost of structures for flood prevention be borne by the Federal Government. Under the present formula of the act, however, the cost is to be divided between Federal and local agencies on the basis of benefits conferred. In this instance we believe the language of the act should be retained. Again, the bill would amend the act to extend the time during which the Secretary of Agriculture may construct works of improvement in the absence of an organization authorized under State law. In this regard, also, we believe the language of the act should be retained.

We would appreciate having this letter made a part of the record of the hearings before your subcommittee.

Sincerely yours,

LEO V. BODINE,
Executive Vice President.

Senator KERR. Mr. W. D. Parish, Falcon Water Compact, McAllen, Tex. I want to say to the distinguished citizen of Texas that the majority leader, Senator Lyndon Johnson, sent word he would have liked to be here for your appearance and he wants you to know he wishes you well.

Mr. PARISH. Thank you, sir.

STATEMENT OF W. D. PARISH ON BEHALF OF HIDALGO AND CAMERON COUNTIES WATER CONTROL AND IMPROVEMENT DISTRICT NO. 9, MERCEDES, TEX., AND THE FALCON WATER COMPACT, McALLEN, TEX.

Mr. PARISH. My name is W. D. Parish. I am here representing the Water Control Improvement District No. 9, and the Falcon Water Compact of McAllen, Tex., which is an association of water districts organized for the purpose of expediting and conserving the use of water. I have a prepared statement here which I would like to put into the record, and I would like to read it to the committee.

Senator KERR. All right, sir; proceed.

Mr. PARISH. There is submitted herewith for your consideration a joint statement by W. D. Parish, general manager, Hidalgo and Cameron Counties Water Control and Improvement District No. 9, with offices in Mercedes, Tex.; and K. M. Smith, watermaster, Falcon Water Compact, with offices in McAllen, Tex., in behalf of the approximately 400,000 persons residing within the valley of the Rio Grande between Falcon Reservoir and the Gulf of Mexico.

The area along the Rio Grande between Falcon Reservoir and the Gulf of Mexico comprises an area of approximately 700,000 acres of highly developed agricultural lands with old established first class water rights, having an estimated value of over one-half billion dollars. Many millions of dollars have been spent during the past 50 years in the development of systems for the distribution of water for irrigation and domestic purposes within the limits of this area.

The Rio Grande Valley is a subtropical area and its products of citrus fruits, winter vegetables, grains, cotton, and legumes are an important contribution to the economy of the State and the Nation.

This area is now in the midst of one of the most severe droughts within the memory of man. Water for irrigation purposes has been completely exhausted and the supply reserved for domestic municipal and livestock purposes will soon be exhausted. The situation is so critical that the State of Texas has obtained a judgment of the district court who has appointed a watermaster with extensive powers to conserve and preserve this meager supply of water for domestic, municipal, and livestock purposes. This area faces a severe economic crisis unless appreciable rainfall occurs over the area contributing to the flow of the Rio Grande within the next few weeks.

It is obvious that if the construction of storage dams such as those proposed in the watershed work plan prepared for Johnsons Draw watershed by the Department of Agriculture under the provisions of Public Law 566, is carried to its ultimate development, that great damage to an already developed rich agricultural area will result.

It is a staggering experience to fly over the watersheds of the Pecos and Devils Rivers which are our source of water and view the great number of stock and farm tanks which are permitting the evaporation of water which is so urgently needed for beneficial uses. International Boundary and Water Commission records indicate that evaporation at Del Rio, Tex. amounted to about 127 inches in 1953. This would mean that a small reservoir having an area of only 2 acres would waste over 20 acre-feet of water a year. This is too great a price to pay for silt storage. The Soil Conservation Service, United States Department of Agriculture, is planning seven floodwater retarding structures on the Devils River, with so-called sediment pool capacity to permanently store 1,060 acre-feet of water to evaporate or seep into the ground. This storage space might trap and evaporate this 1,060 acre-feet of water several times a year, resulting in a tremendous loss of water from one area. Restricting the number of such ponds and completely eliminating the sediment pools would accomplish the flood-control function of these structures without the tremendous waste of an already insufficient water supply. An indication of the adverse effect of the construction of dams on the Rio Grande watershed is demonstrated by the fact that the total flows at the International Boundary and Water Commission gage at Zapata, Tex.—near Falcon Reservoir—for the years 1943 to 1952 were approximately 59 percent of the total flows at the same location during the period 1932 to 1942, with approximately the same rainfall for both periods.

H. R. 8750 will definitely tend to further aggravate our already serious water shortage predicament. We therefore respectfully suggest that your subcommittee favorably consider changing the language of section 10 of H. R. 8750 to read as follows:

After the words:

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

Add:

Provided, That no funds appropriated under this Act shall be used to construct any works which would in any way diminish, impair, or jeopardize the supply

of water available to downstream water users with prior legal rights to its use: *Provided further*, That the Governor of each State where such works may be constructed shall certify to the Secretary that the construction of each said project will in no way diminish, impair or jeopardize the water supply available to downstream users with prior legal rights to its use.

Your favorable consideration of our request for an amendment to H. R. 8750 which will protect the already existing uses of water will be greatly appreciated. Your kind consideration in allowing me to appear before this important committee and to present the views of the people of the Rio Grande Valley is also sincerely appreciated.

Senator KERR. Thank you, Mr. Parish. Are there any questions?

Senator HRUSKA. Just this, Mr. Chairman. Does not the Governor now have the right to register objection when a plan under this Public Law 566 comes to him? Can he not register objection to a given project as being harmful to the water users with whom you are directly concerned?

Mr. PARISH. He might do that, sir. But the Texas law, I believe, is that no permit is required to construct a reservoir that will impound 200 acre-feet or less. So as a result of that, I doubt if a lot of these projects are ever brought to the attention of the Governor.

Senator HRUSKA. But they would be through Public Law 566, would they not? Each of the plans which is submitted under Public Law 566, as I understand it, requires the approval of the Governor.

Mr. PARISH. Well, now, that is possible. I am not as familiar with that public law as I might be, sir.

Senator HRUSKA. I just wondered if there was some avenue there.

Mr. PARISH. There probably is, yes, sir.

Senator HRUSKA. Thank you, Mr. Parish.

Senator KERR. Thank you.

Mr. Lawrence Rittenoure, National Association of Soil Conservation Districts.

STATEMENT OF LAWRENCE RITTENOURE, WICHITA, KANS., ON BEHALF OF NATIONAL ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. RITTENOURE. My name is Lawrence Rittenoure, of Wichita, Kans. I have been practicing soil conservation on our Sedgwick County farm since 1944. I have farmed through tenants in western Kansas for 25 years past. I am the proprietor of the Rittenoure Investment Co., dealing principally in municipal bonds and a few conservative stocks. I speak as a director of the National Association of Soil Conservation Districts, and chairman of their watershed committee, but this background is mentioned because I want you to know my very practical point of view of a businessman, a farmer, a taxpayer, and as one deeply interested in conservation of our soil and water. As such, I like to see a dollar invested pay dividends, a profit, whether invested in bonds, stock, land or conservation work on the land, and whether it be a dollar of an individual or of Uncle Sam. I think I am typical in this respect to other soil conservation district officials throughout America.

Our national association represents some 2,700 soil conservation districts organized as local units of self-government under State law. Our districts contain nearly 90 percent of all the farm and ranch land of the Nation. About 1,600,000 farmers and ranchers are active dis-

strict cooperators applying soil and water conservation practices on their land. Soil conservation districts have a great concern for the successful functioning of the watershed protection and flood-prevention program.

Our national association and soil conservation district supervisors everywhere worked hard for Public Law 566 in 1954. Since then hundreds of soil conservation district leaders have watched how things have worked out under the act.

I know you recognize the great concern of soil conservation districts that the watershed protection and flood prevention part of our program be successful.

Districts have sponsored nearly every one of the 500 applications to the Department of Agriculture for assistance under the act. All of the applications have been approved by agencies designated by the governors in the States from where the requests have come.

We have given a lot of time and thought to needed amendments to the Watershed Protection and Flood Prevention Act. We feel strongly that the act's limitations prevent the small watershed work moving ahead like it ought to. We believe some changes are needed urgently.

We think many of the needed changes are pretty well spelled out in bills by Congressmen Poage and Hope and by Senators Clements, Carlson, and Fullbright.

I would like to praise the wisdom of Congress when it provided in the Flood Control Act of 1944 for treatment of the 11 original watersheds, and again in 1953 for the 60 small pilot watersheds, many of which have been completed and which are doing such a good job of selling watershed work to all who would stop, look and listen.

Again the wisdom of Congress was shown by enactment of Public Law 566, because the people in hundreds of watershed areas all over the United States are responding. The 85 percent of our people in the cities are beginning to realize their oneness of interest with the 15 percent who live on farms and ranches. The urban resident often does not realize the terrific importance to the future of our country of holding onto and building up our topsoil, but he is becoming aware of the benefits of flood prevention and acutely aware of the necessity for the benefits of water conservation and watershed work.

In passing Public Law 566, Congress' basic interest was to provide for Federal aid to local organizations in carrying out their own locally initiated and executed projects.

Type of project: If this basic idea is sound, then local organizations should be able to obtain help for and include in their watershed plans all types of improvements for better soil and water management. This should include, where needed, not only soil conservation practices on the land and structures for flood prevention, but other related improvements. We ought to be able to include such helps as storage and distribution of water to increase the efficiency of farming by irrigation; disposal of excess water by drainage; storage and release of water into small streams during dry periods to provide stock water, maintain good fishing and dilute downstream pollution. It should permit a good dam site to be used for both flood prevention and municipal water supply, or any other purpose useful in the community.

Soil conservation district representatives testified in favor of H. R. 8750 when hearings were being held by the House of Representatives.

We vigorously supported it through passage in the House. Now we are urgently asking your committee to report it out favorably at an early date so that H. R. 8750 can come to the floor of the Senate before Congress adjourns.

Cost sharing policy: One of the principal objections of our local organizations to Public Law 566 has been the cost-sharing policy. Public Law 566 requires that local organizations provide all land, easements, and rights-of-way, contract for construction, provide water rights, and operate and maintain the structures for all time to come.

Under the policy of the Secretary of Agriculture, local organizations must in addition complete all the necessary land-treatment measures wholly at local expense, and must pay a part of the cash cost of construction of flood-prevention dams. Such requirements are contrary to provisions of existing flood control acts. Under them, the Federal Government not only pays the full cost of construction of flood control reservoirs, but in addition buys the necessary land, easements, and rights-of-way, and operates and maintains the structures at Federal expense.

Moreover, it is contrary to the existing reclamation laws and with the new act under consideration in Congress, known as the Small Reclamation Projects Act, H. R. 5881.

Senator KERR. Just a moment. What is the present status of that bill? I think it might be well at an appropriate place to make this part of the record in this proceeding.

Senator HRUSKA. The status of it?

Senator KERR. No—a copy of it. Because the Congress will have, by its enactment, if it is signed by the President, expressed a policy with reference to a similar program by the Bureau of Reclamation.

Senator HRUSKA. I think that is right, Mr. Chairman. And even if it is in the shape of a conference report, that will still be a declaration and expression of congressional policy.

(The bill referred to is as follows:)

[H. R. 5881, 84th Cong., 2d sess.]

[Omit the part struck through and insert the part printed in italic]

AN ACT to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the purpose of this Act is to encourage State and local participation in the development of projects under the Federal reclamation laws and to provide for Federal assistance in the development of similar projects in the ~~seventeen western reclamation States~~ [1] *all forty-eight States and the Territories of Hawaii and Alaska* by non-Federal organizations.*

SEC. 2. As used in this Act —

(a) The term "construction" shall include rehabilitation and betterment.

(b) The term "Federal reclamation laws" shall mean the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(c) The term "organization" shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.

(d) The term "project" shall mean (i) any complete irrigation [2], *water storage, saline water intrusion control, or drainage* undertaking, including incidental features thereof, or distinct unit of such an undertaking or a rehabilitation and betterment program for an existing irrigation project; ~~authorized to be constructed pursuant to the Federal reclamation laws and~~ (ii) ~~any similar undertaking proposed to be constructed by an organization:~~ *project.* The term "proj-

ect" shall not include any such undertaking, unit, or program the cost of which exceeds \$5,000,000: *Provided*, That projects, the estimated cost of which is more than \$5,000,000 but less than \$10,000,000, may qualify under this Act if the applicant organization is ready, able, and willing to finance otherwise than by loan or grant under this Act all costs in excess of the amount of the loan or grant which would be made under this Act if the estimated construction cost were \$5,000,000: *Provided further*, That nothing contained in this definition shall preclude the making of a grant not in excess of \$5,000,000 in accordance with the provisions of sections 4 and 5 of this Act, to organizations whose proposed projects qualify for the same but which are not applicants for a loan under this Act: *And provided further*, That nothing contained in this Act shall preclude the making of more than one loan or grant, or combined loan and grant, to an organization so long as no two such loans or grants, or combinations thereof, are for the same project, as herein defined.

(e) The term "Secretary" shall mean the Secretary of the Interior [3] *with respect to projects located in the States of Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming, and the term "Secretary" shall mean the Secretary of Agriculture with respect to projects located in any other State or in the Territory of Hawaii or of Alaska.*

(f) *The term "State" or "States" shall include the Territories of Hawaii and Alaska.*

SEC. 3. Any organization desiring to avail itself of the benefits provided in this Act shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of \$1,000 to defray, in part, the cost of examining the proposal.

SEC. 4. (a) Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the States of the drainage basin in which the project is located in like manner as provided in subsection (c), section 1 of the Act of December 22, 1944 (58 Stat. 887), except that the review may be limited to the State or States in which the project is located if the proposal is one solely for rehabilitation and betterment of an existing project; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the cost of such joint facilities.

(b) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant under this Act such portion of the cost of construction (which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water) as the Secretary shall have advised is proper in the circumstances: *Provided*, That the contribution of any applicant organization shall not be required to be in excess of 25 per centum of the costs of the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects.

(c) If the project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State agency designated by him) to be financially feasible and upon determination by the Secretary that the requested project constitutes a reasonable risk under the provisions of this Act, the Secretary is hereby authorized to negotiate a contract with the applicant organization as provided in section 5; but no such contract shall be executed by the Secretary prior to sixty calendar days (which sixty days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three days to a day certain) from the date in which the project proposal has been submitted to both branches of the Congress for consideration by the appropriate committees thereof, and then only if neither such committee, by committee resolution and notification in writing to the Secretary, disapproves the project proposal within such period: *Provided*, That

if both such committees, in the same manner and prior to the expiration of such period, approve the project proposal, then the Secretary may proceed to execute the contract: *Provided further*, That in the event either committee disapproves the project proposal, the Secretary shall not proceed further unless the Congress has approved the same. The Secretary at the time of submitting the project proposal to Congress or at the time of his determination that the request project constitutes a reasonable risk under the provisions of this Act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to the disposition by him and which are required for use by the project. Any such reservation shall expire at the end of two years unless the repayment contract provided for in section 5 of this Act shall have been executed.

(d) The Secretary shall give due consideration to financial feasibility, emergency, or urgent need for the project, whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for ~~irrigation or irrigation~~, drainage, *water storage, or saline water intrusion control*. All project works and facilities constructed under this Act shall remain under the jurisdiction and control of the local contracting organization subject to the terms of the repayment contract.

SEC. 5. Any contract authorized to be negotiated under the provisions of subsection (c) of section 4 of this Act shall set out, among other things—

(a) the maximum amount of any loan to be made to the organization and the time and method of making the same available to the organization. Said loan shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects;

(b) the maximum amount of any grant to be accorded the organization and the time and method of paying the same to the organization. Said grant shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to nonreimbursable function under general provisions of law applicable to such projects;

(c) a plan of repayment by the organization of (1) the sums lent to it in not more than fifty years from the date when the principal benefits of the project first became available; (2) interest, as determined by the Secretary of the Treasury, by estimating the average annual yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May preceding the fiscal year in which the loan is made, on all outstanding marketable obligations of the United States having a maturity date of fifteen or more years from the first day of such month of May, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 per centum at the beginning of the fiscal year preceding the date on which the contract is executed on that pro rata share of the loan which is attributable to furnishing irrigation [4], *saline water intrusion control, or drainage* benefits in each particular year to land held in private ownership by any one owner in excess of one hundred and sixty irrigable acres; and (3) in the case of any project involving an allocation to domestic, industrial, or municipal water supply, or commercial power produced as an element of the project and incidental to its full development, interest on the unamortized balance of an appropriate portion of the loan at a rate as determined in (2) above;

(d) provision for operation of the project, if a grant predicated upon its performance of nonreimbursable functions is made, in accordance with regulations with respect thereto prescribed by the head of the Federal department or agency primarily concerned with those functions and, in the event of noncompliance with such regulations, for operation by the United States or for repayment to the United States of the amount of any such grant;

(e) such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest as aforesaid. The liability of the United States under any contract entered into pursuant to this Act shall be contingent upon the availability of appropriations to carry out the same, and every such contract shall so recite; and

(f) provisions conforming to the preference requirements contained in the proviso to section 9 (c) of the Act of August 4, 1939 (53 Stat. 1193), if the project produces electric power for sale.

SEC. 6. Any proposal with respect to the construction of a project which has theretofore been authorized for construction under the Federal reclamation laws shall be made in like manner as a proposal under section 4 of this Act, but the Secretary may waive such requirements of subsections (a) and (b) of that section as he finds to be duplicative of, or rendered unnecessary or impossible by, action already taken by the United States. Upon approval of any such proposal by the Secretary he may negotiate and execute a contract which conforms, as nearly as may be, to the provisions of section 5 of this Act.

SEC. 7. Upon request of an organization which has made or intends to make a proposal under this Act, the head of any Federal department or agency may make available to the organization any existing engineering, economic, or hydrologic information and printed material that it may have and that will be useful in connection with the planning, design, construction, or operation and maintenance of the project concerned. The cost of any plans, specifications, and other unpublished material furnished by the Secretary pursuant to this section and the cost of making and administering any loan under this Act shall, to the extent that they would not be nonreimbursable in the case of a project constructed under the Federal reclamation laws, be treated as a loan and covered in the provisions of the contract entered into under section 5 of this Act unless they are otherwise paid for by the organization.

SEC. 8. The planning and construction of projects undertaken pursuant to this Act shall be subject to all procedural requirements and other provisions of the Act of August 14, 1946 (60 Stat. 1080).

SEC. 9. The Secretary is authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this Act.

SEC. 10. There are hereby authorized to be appropriated, such sums as may be necessary, but not to exceed [5]\$200,000,000 to carry out the provisions of this Act: *Provided*, That the Secretary shall advise the Congress promptly on the receipt of each proposal referred to in section 3, and no contract shall become effective until appropriated funds are available to initiate the specific proposal covered by each contract. All such appropriations shall remain available until expended and shall, insofar as they are used to finance loans made under this Act, be reimbursable in the manner hereinabove provided.

SEC. 11. This Act shall be a supplement to the Federal reclamation laws and may be cited as the Small Reclamation Projects Act of 1956.

SEC. 12. If any provision of this Act or the application of such provision to any person, organization, or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons, organizations, or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Senator KERR. All right, proceed.

Mr. RITTENOUR. This act provides that flood control features of projects shall be paid for 100 percent by the Federal Government.

The provision in H. R. 8750 that the Government may assume all the costs of structures applicable to flood prevention is just and fair. In the case of the controversial \$100 million Tuttle Creek Reservoir in Kansas, the Government stands every dollar of the cost. The local contributions to approximately \$3 billion of Federal flood control projects built by the Corps of Engineers have been less than 6 percent. In the first 30 watershed projects planned under Public Law 566, project applications now in hand, local contributions will average 55 percent of the overall cost and 32 percent of the cost of structures. All future maintenance costs and responsibilities on watershed projects will rest on the local people. Congress planned it that way. Local people want it that way. Even after Uncle Sam stands the construction cost—I mean the full construction cost—of flood prevention in watershed work, local people will still have very heavy costs of land treatment, easements, and rights-of-way, administration of contracts, and other contributions.

Senator KERR. Now you are referring to this program in the event of the enactment of H. R. 8750.

Mr. RITTENOUR. Yes, sir. The first cost to the Government is the last cost, and H. R. 8750 is especially equitable.

We believe that irrigation and drainage should be in the same category with respect to cost sharing as they are under the small reclamation projects bill, H. R. 5881. With respect to what cost sharing, if any, should be provided for nonagricultural purposes, such as municipal water supply, streamflow regulation for pollution control, fish and wildlife, and related purposes, we leave this to the judgment of the Congress.

Terminal date: Deletion or nondeletion of the terminal date of July 1, 1956, is of no apparent importance. We believe that in all instances the public officials of a watershed district will wish to let their own contracts.

Time consuming delays: Gentlemen, Public Law 566 needs amending to make it fully useful and workable. It will soon be 2 years since it was enacted. I have been amazed at the difficulties, the obstacles, the limitations of Public Law 566 as various watersheds in our State have attempted to avail themselves of this law which means so very much to the future of America. As a boy, I often read of white men captured by the Indians but promised their liberty if they could survive by running between two lines of savages armed with clubs. As the people of 11 of our Kansas watershed areas have tried to struggle through the maze of getting assistance under Public Law 566, I have been repeatedly reminded of those stories of our frontiersmen. This kind of treatment for our people was never intended by Congress, and H. R. 8750 would be a major improvement indeed.

We believe that every effort should be made to eliminate the vast amount of redtape with which the operation of the Watershed Protection and Flood Prevention Act has been surrounded. This act was passed as a substitute for the old Flood Control Act of 1936 to permit local organizations to move ahead at a faster rate with the accomplishment of the watershed protection and flood prevention job before them. Unfortunately, largely at the insistence of certain Federal agencies, many restrictions were placed around the act. We find it now takes anywhere from a year to 2 years to get a project planned and approved through all the clearances required, and these delays will increase unless Public Law 566 is amended.

H. R. 8750 contains provisions that will very greatly speed up the processing of applications for the multitude of small watershed projects that are pouring into Washington. I refer to the provisions that eliminate requirements for review by other Federal agencies and congressional review of plans where the Federal contribution to construction costs is less than \$250,000 and likewise the eliminating of any requirement for committee resolutions approving any plans.

On June 12, 1956, the State Soil Conservation Commission of California passed a resolution asking the Congress to approve all work plans now pending before the Congress. This request for special legislation before adjournment was made because the work plan of the Arroya Grande Soil Conservation District was submitted to interested Federal agencies before this Congress convened. Here is just one instance where perhaps 20,000 people in a watershed of 100,000 acres approximately find needless delay not only an irritant but also damaging.

We figure that these amendments in the Poage bill to exempt small projects from interagency and congressional review would eliminate about 75 percent of the time-consuming delay now surrounding the approval of small projects, most of which are below this amount.

Federal loans: We support fully the provision of H. R. 8750 with respect to long-term Federal loans. We believe that long-term, low-interest rate loans would enable many local organizations to finance their part of the total job which they are not able to do under current low-farm income and tight-credit conditions. We favor this amendment fully.

Broadening of benefits: Likewise, we favor the provisions of H. R. 8750 that would extend the authority of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands. There are 43 soil conservation districts in these areas outside of continental United States. They are just as willing to do their part of the job as we are here in the States. It would be discrimination to deny them this opportunity.

Size of reservoirs: In testifying before the House Committee on Agriculture, we favored the resolution of our last national convention for eliminating altogether the 5,000 acre-foot limitation on the size of structures. We pointed out that the limitation on watershed size alone provides adequate assurance that no large reservoirs are going to be constructed.

Moreover, we stated that soil conservation districts would almost without exception oppose inclusion of a reservoir in any plan of theirs where the pool area would cover a significant acreage of agricultural land. However, we recognize the strong opposition of the Corps of Engineers to the proposal to allow local organizations to include in their local plans any reservoirs larger than 5,000 acre-feet. Therefore, we are not urging the adoption of such an amendment.

The position of the Corps of Engineers, insofar as we can understand it, is that all reservoirs larger than 5,000 acre-feet should be constructed by a Federal agency on lands bought and paid for by the Federal Government and that such reservoirs should thereafter be operated and maintained by the Federal Government. We oppose this position in principle.

We believe it represents a clear-cut conflict between the rights of local organizations or the States to manage their own water resources in projects initiated, carried out, operated, and maintained by them with Federal assistance, as compared with projects built, operated, and maintained by the Federal Government.

We believe this is a clear-cut case of States' rights versus Federal domination. Nevertheless, we feel that the other principles embodied in the amendments proposed to the Watershed Protection and Flood Prevention Act are so important that we would not want to press the issue of reservoir size. We would like to see the issue clearly understood by the committee, however, as being one of fundamental principle involving the rights of people back home and not, as has been represented by some interests, just a bureaucratic fight between the Corps of Engineers and the Department of Agriculture.

Our National Association of Soil Conservation Districts is grateful to you gentlemen and the Congress for the thought and effort you are giving to these proposed amendments to improve the workability of Public Law 566. This law is proving itself to be for all the people and

of all the people; particularly it is proving to be the greatest possible stimulus to soil and water conservation as we have known it for some years past on our farms and ranches. The law requires this work on the land in the subwatershed above each detention reservoir for preservation and long life of the investment in such detention reservoir. In one instance in northeastern Kansas where a watershed project is brewing, hundreds of landowners have responded to the proposed watershed project by signing up for conservation work on their land.

Our national association representing millions of farms and ranches and the ownership thereof would echo the words of a great American once a Member of your Congress. I refer to the words of Daniel Webster:

Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also, in our day and generation, may not perform something worthy to be remembered.

We ask you to help us to help ourselves to "Develop the resources of our land and perform something worthy to be remembered."

We need H. R. 8750. We urge you to report it favorably at an early date.

I thank you.

Senator KERR. Thank you very much, Mr. Rittenoure. Are there questions?

Senator HRUSKA. Mr. Chairman, I should like to observe—without detracting from the excellence of some of the previous statements made here—that this is a very finely prepared statement.

Mr. RITTENOURS. Thank you, sir.

Senator HRUSKA. It is logical, and it is very understandable, even to the Senator from Nebraska. I would like to ask, however, with reference to the termination date to which you refer, in view of the belief which you express there, that the public officials of water districts will wish to let their own contracts, would there be any harm in allowing that termination date to stay there?

Mr. RITTENOURS. If it stays there, they will be obliged to let their own contracts, as I read the act. And I think they are going to anyhow. In the first place, I don't believe the Secretary of Agriculture wants the job. In the next place, you realize that a watershed district, under the laws of Nebraska, or the laws of my State, in Kansas—and I helped to draw the original act, worked months on that—that law provides for a municipal organization, very much as a school district or a county is created. And when we elect those local officials, they are not going to pass that responsibility over to anyone else. We are going to have the taxing power to support these improvements, once made, and our officials, local officials, are going to take full responsibility. They are not going to look to Washington for the letting of contracts.

Remember this, if you please, Senator. They are dealing more with their own pocketbooks than they are with Uncle Sam's. I have heard a great deal here today that would indicate lack of realization or appreciation of that fact. For instance, here is a little district of 16,000 acres being organized in my own county of Sedgwick, and they will be spending more money in that one small district probably than Uncle Sam will contribute. Well, those dollars that they spend of their own, which they will borrow, of course, by a bond issue, are very precious to them. They are thrifty farmers. They are having a hard

time getting along. But they see the need of this. And so they are going to want to let the contract themselves and be very sure that they get their money's worth.

Senator HRUSKA. Well, now, in view of that, that is the reason I asked the question—because of the objection in your statement to domination of the Federal authority here, and the fact that the retention of that terminal date will insure that the Federal Government will not get into the construction field. Now, then, it seems to me that retention of that terminal date would accomplish the very thing of which you speak so apprehensively.

Mr. RITTENOURS. I have read it and reread it. Let's see— did I speak of it apprehensively?

Senator KERR. You said it was immaterial, as I recall it. Rather than being immaterial, the Senator wants to know if you don't think it would be wise to keep it.

Mr. RITTENOURS. Deletion or nondeletion. That would certainly insure, wouldn't it?

Senator HRUSKA. Yes.

Mr. RITTENOURS. That would be all right with me.

Senator HRUSKA. That the nondeletion will insure that the Federal Government will not get into the construction of these projects. Apparently it is that to which you refer apprehensively—the Federal domination.

Mr. RITTENOURS. Deletion or nondeletion is of no apparent importance. But whether you leave it there or do not leave it there, I would say that 100 times out of 100, the watershed districts over the country are going to let their own contracts.

Senator HRUSKA. I agree with you on that.

Mr. RITTENOURS. They are spending their own money, and they are going to see they get their money's worth.

Senator HRUSKA. I agree with you. That is a solid concept, Mr. Rittenours. Thank you very much.

Senator KERR. Thank you very much, Mr. Rittenours.

Mr. RITTENOURS. Thank you, gentlemen.

Senator KERR. Mr. Harral Allen, Oklahoma Association of Soil Conservation Districts. I want to say for the record that this gentleman comes from very near to the place where I was born, and naturally I anticipate a feeling of a good deal of harmony between me and him, in view of the fact that there has to be a similarity in creatures born on and sustained from the same soil and products throughout their growing years.

All right, Mr. Allen.

Mr. ALLEN. Thank you, Senator.

Senator KERR. I hope that will not mitigate against you.

STATEMENT OF HARRAL ALLEN ON BEHALF OF OKLAHOMA ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. ALLEN. We consider it an asset.

My name is Harral Allen. I am a farmer from Ada, Okla. My farm is in the watershed of Sandy Creek, west of Ada. A watershed protection plan for this stream is being prepared under Public Law 566 at this time. As head of the conservation district, which is the State subdivision empowered by Oklahoma law to deal with

Federal agencies on matters having to do with conservation of soil and water, I know some of the problems that face local people now initiating upstream flood-prevention programs. In addition, as President of the State Association of Soil Conservation Districts, I am familiar with the other watershed associations' problems in our State.

As you well know, there are three distinct upstream programs now working through the Department of Agriculture. Those initiated on 11 watersheds under the 1944 Flood Control Act, such as the Washita River in Oklahoma, the Pilot Creek projects, as exemplified by Double Creek in northeast Oklahoma, and those now being planned under Public Law 566 such as our own project on Sandy Creek in my home county.

Legislation being considered by this committee should aim toward a simplification of our upstream flood prevention program so that we may have 1 program rather than 3. And I might insert there we would like to have it conform with the provisions of those laws which set up the watershed program in 1936, 1944, and 1946.

Those of us who are familiar with the 11 watersheds program have found this a very satisfactory one. The people of our Washita River are well pleased with the way it has functioned and are carrying their 51 percent of the total cost cheerfully. The same can be said of the Double Creek project in northeast Oklahoma as it corresponds closely to the Washita plan.

We do not have the same situation with those projects being initiated under Public Law 566. Our people feel they have done their share in putting land treatment measures on the land, providing easements and rights-of-way, rerouting highways, roads, railroads, pipelines and other utilities, contracting to operate and maintain structures and land treatment measures and agreeing to pay all costs involved in letting contracts for the building of structural measures. Percentagewise, this amounts to more than 50 percent of the total cost when consideration is given to conservation measures now in place. In addition to this under Public Law 566 we are asked to pay part of the construction costs, meaning the construction costs of flood-prevention structures.

The rights of these so-called indentifiable beneficiaries of the upper reaches of our smaller watersheds are just as strong as those of the many thousands downstream who are benefited from these works of improvement. It is the feeling of the individual cooperators and the 86 boards of district supervisors who compose the 80,000 membership of our Oklahoma Association of Soil Conservation Districts that this sharing of cost of structures as contained in Public Law 566 is unfair, inequitable, and totally unworkable and should be stricken from this law. Flood-prevention costs are an obligation of all the people. To our knowledge, the Poage bill, H. R. 8750, and the Clements bill, S. 3023, contain this provision. Our State association, 80,000 strong, sincerely, and respectfully ask the favorable action of this committee to that end.

Again, going back to Public Law 566, we find a provision contained there that is not found in the 11 Watersheds Act and the Pilot Creek Act in that size of structures which may be built by United States Department of Agriculture in this upstream flood-prevention program may not exceed 5,000 acre-feet in size. Experience on the Washita River watershed in Oklahoma has shown us that in order to

secure the desired control of excess water there are cases where we must exceed 5,000 acre-feet of storage capacity. We urge the elimination of this feature from Public Law 566 as provided for in the Clements bill, S. 3023.

A provision of the Poage bill which we like very much is that of permitting municipalities and/or irrigation districts to add additional storage on any suitable site of a flood-prevention structure for the purpose of providing water storage for municipal or irrigation use, provided this additional storage is paid for by the local people. Our reasoning on this is that there are a limited number of good dam sites in the United States. We believe that each of them should be utilized to the maximum of their potential. Also, we know that there are many thousands of smaller communities and probably an equal number of farm groups interested in irrigation who should be permitted to utilize waters which may be impounded close at hand. This suggested change in Public Law 566 will cause it to conform with the 11 Watersheds Act in that municipal and irrigation water storage is permissible under this previous legislation.

The features of the bills you are considering which have to do with the shortening of time from planning to implementation are good. Any time saved will speed up the program.

In the planning of Sandy Creek watershed we have followed the policy of crossing each bridge as we came to it. However, we have taken a look down the road ahead. The most dreaded obstacle we can see deals with getting quantities of money to take care of local costs that will remain even with the passage of legislation being considered here. Our solution to the money problem in Oklahoma is to go the bond route. You all know how rough the bond market is today on municipals, school-building issues, toll roads and like paper. We wonder what will happen when we are required to offer our conservancy district bonds for sale. As there will be no experience ratings behind them, we have no way of knowing what rate of interest will be required to get them marketed. The Clements bill, S. 3023 and the Poage bill, H. R. 8750 both carry a provision which will permit us to obtain funds by loan and not have to face the bond market. This provision will greatly speed our smaller watersheds protection program. The Oklahoma Association of Soil Conservation Districts ask that I urge your approval of this provision.

Our smaller watersheds protection program is the best tool that we in soil conservation districts have available to us to get conservation on the land. Those of us close to the dirt know that our program is moving too slowly. It is true that 90 percent of the land of our Nation is encompassed in our soil-conservation-district program. Much good work is being done to conserve our soil and water resources. But when you take an inventory, you will find that we are losing twice as much soil each day from our national soil resources as our concerted efforts are able to anchor in place. This situation, gentlemen, to my mind, is the greatest threat to the continued existence of civilization within the borders of our country.

Discounting all of the many benefits to be derived from our upstream flood-prevention program, except that of conserving our soil and water, and charging the entire cost of treating every watershed in the United States totally to soil and water conservation, the smaller

watersheds protection program will be the best investment in national resources this Nation has ever made.

Thank you.

Senator KERR. Thank you, Mr. Allen. You heard the statement a little while ago of Mr. Parish.

Mr. ALLEN. Yes, sir.

Senator KERR. You heard his recommendation of amendments with reference to the protection of water rights with prior legal establishment.

Mr. ALLEN. Yes, sir, I heard that statement.

Senator KERR. What is your reaction to that?

Mr. ALLEN. Well, in the first place, as I understand it, Public Law 566 carries a provision that all of these flood-prevention programs must first of all meet local State laws before they can even be instituted. Second, I consider that he is seeing a bugaboo that does not even exist, when he mentions the fact that he is fearful of reduction of flow.

I am not an engineer, Senator, as you well know. I know only what I see. But we can go to the project we have on the Washita River, Sandstone Creek, in Oklahoma. Sandstone Creek, before receiving upstream flood prevention in the Washita program, was what we call a dry wash. It flowed about 90 days a year, and then only when we had heavy rainfall. The program has been in place over there, it seems to me like about 3 years. The record will speak for itself as to time. But at this moment, or rather at the last gaging that was made by the USGC on waterflow, that stream is flowing 2,400,000 gallons of water, and at the time of this gaging there had been no rain on the stream from October until late December or early January. It was right at the turn of the year when the measure was made. That is the changing of a dry wash into what we call a perpetual stream. At this time the stream has been flowing in excess of 600 days without stopping. And consider that we have been through the heaviest drought that we have had in many years.

I believe that those people in west Texas, on the Rio Grande, should be boosting for the program to increase their water supply, rather than opposing it.

Senator KERR. Thank you very much, Mr. Allen. Are there any questions, Senator?

Senator HRUSKA. No questions.

Senator KERR. Mr. David Fudge of the Oklahoma Municipal League. I think that means the Oklahoma Incorporated Citizen Towns, does it not, Mr. Fudge?

Mr. FUDGE. It is the Oklahoma Municipal League, which is the same thing.

Senator KERR. Very good. Another distinguished Oklahoman that I am happy to have before us here.

STATEMENT OF DAVID FUDGE, EXECUTIVE DIRECTOR, OKLAHOMA MUNICIPAL LEAGUE

Mr. FUDGE. Mr. Chairman, I would like to make a few brief statements from this statement, and file it with the committee for reference.

My name is David Fudge of Oklahoma City. I am the executive director of the Oklahoma Municipal League, our State's association

of city and town governments, ranging in size from the largest to the smallest. I appear here in behalf of H. R. 8750 which has for its purpose the amendment of certain provisions of Public Law 566, the so-called Watershed Protection and Flood Prevention Act.

As we see it, H. R. 8750 seeks to make the following changes within the general area of the present Public Law 566.

(1) It would broaden the scope of the act to all the aspects of conservation and development of water rather than to those of agriculture alone. Thus, where a municipal water supply was an integral part of a watershed program, its development could be carried out in an overall plan. The Secretary of Agriculture could assist local organizations in carrying out multiple-purpose programs including not only irrigation, drainage and flood prevention and so on, but such other beneficial uses as municipal and industrial supplies, recreation, fish and wildlife improvement, pollution abatement by streamflow regulations, and so on for total water use.

(2) H. R. 8750 would permit the construction of dams and reservoirs of more than 5,000 acre-feet total capacity, provided that the excess over 5,000 acre-feet was for purposes other than flood prevention, flood control, and the cost of construction of the excess was borne entirely by the local organization.

(3) The proposal would amend Public Law 566 so that local organizations would not be required to pay construction costs applicable to flood prevention—flood control—but would require them to participate in other costs according to the benefits obtained. This substantially equalizes the cost sharing in Public Law 566 with that provided in the Flood Control Acts, Reclamation Acts, and similar legislation.

(4) H. R. 8750 would eliminate delay in the handling of small projects involving Federal contributions of less than \$250,000 by providing that they need not be separately submitted to the Congress through the President.

(5) Long-term loans at the Federal-paid rate of interest could be made to local organizations.

(6) The amendment extends Public Law 566 to the Territories, to Puerto Rico, and the Virgin Islands.

In Oklahoma, water is definitely our most important problem. We are a young and growing State where water consumption is growing by leaps and bounds. We are fortunate in having the fine work and excellent cooperation of the Corps of Engineers and Reclamation Service in all their endeavors to help us solve our water problems.

It should not be inferred that our support of H. R. 8750 detracts from or diminishes in any way our complete support of the Army and reclamation programs. However, we have some situations where the Department of Agriculture, through the Soil Conservation Service, is considered by our municipalities to be the logical and proper agency for certain joint undertakings with them.

There are a number of areas in Oklahoma where flood control, conservation, and municipal supply are integral parts of the same problem, but where reservoirs, for all purposes, exceed the 5,000 acre-feet limitation. Some of these I am advised by the engineers for municipalities run up as high as about 56,000 acre-feet, total capacity.

Ada, Mr. Chairman, one of our finest communities, is dependent always upon the waters of Byrd's Mill Springs, one of the best sources of fine water in east-central Oklahoma. The flow from those springs

ran consistently from a summer low of about 7 million gallons a day to a maximum of about 18 million gallons. But, Mr. Chairman, they are running today at about 4 million gallons a day. The need in the Ada situation is for about 40,000 acre-feet of municipal storage. A conservancy district has been formed in the Ada area, and considerable savings, both to the district and to the city of Ada, could be effected if Ada and the SCS could join hands.

I am advised that similar benefits in economy could be made for areas which include Guthrie, Shawnee, Walters, Waurika, Grandfield, Altus, Chickasha, Wewoka, and Seminole. I am not familiar with the details of all these projects. However, we have here other individuals from Oklahoma who are informed.

I would like to take this opportunity, gentlemen of the committee, to say that in our opinion the people of our Nation have been rendered a great service by this subcommittee in this session in its fine work on the Interstate Highway Act. What we seek here today is small in comparison to that. But I am happy that we are able to present it to the committee which has so vividly demonstrated its ability.

On the part of the municipalities of Oklahoma, I ask that you give favorable consideration to H. R. 8750 as it was passed by the House.

Thank you.

Senator KERR. Thank you very much, Mr. Fudge. Are there any questions?

Senator HRUSKA. No, sir.

Senator KERR. Thank you for your very valuable contribution to this hearing.

(The complete statement of Mr. Fudge is as follows:)

STATEMENT OF DAVID FUDGE, EXECUTIVE DIRECTOR, OKLAHOMA MUNICIPAL LEAGUE

Mr. Chairman and members of the subcommittee, my name is David Fudge, of Oklahoma City, Okla. I am the executive director of the Oklahoma Municipal League, our State's association of city and town governments, ranging in size from the largest to the smallest.

I appear here today in behalf of H. R. 8750, which has for its purpose the amendment of certain provisions of Public Law 566, the Watershed Protection and Flood Prevention Act.

As you know, Public Law 566 is restricted to the agricultural phases of conservation, development, utilization, and disposal of water. Its operation is limited to watersheds and subwatersheds not exceeding 250,000 acres in area, and to water retaining structures not in excess of 5,000 acre-feet of total capacity.

Public Law 566 requires approval by resolutions adopted by the Committee on Agriculture and Forestry of the Senate, and by the Committee on Agriculture of the House of Representatives in all cases where an appropriation of funds is to be made for improvements which include a structure of more than 2,500 acre-feet of total capacity.

The Secretary of Agriculture is prohibited, under Public Law 566, from participating in any other than flood prevention (flood control) costs, in structures containing more than 5,000 acre-feet total capacity.

As we understand it, the purpose of H. R. 8750 is not to change the basic principle of Public Law 566 that the planning and execution of the programs it authorizes is the joint responsibility of private persons and of Federal, State, and local government. Nor does it seek to renounce the policy of dividing costs of projects among the participants.

As we see it, H. R. 8750 seeks to make the following changes within the general area of the present Watershed Protection and Flood Prevention Act:

(1) It would broaden the scope of the act to all aspects of the conservation, development, utilization, and disposal of water, rather than to those of agriculture alone. Thus, where a municipal water supply was an integral part of a watershed program, its development could be carried out in an overall plan. The Secretary of Agriculture could assist local organizations in carrying out multiple-

purpose programs including not only irrigation, drainage, and flood prevention, but such other beneficial purposes as municipal and industrial supplies, recreation, fish and wildlife improvement, pollution abatement by streamflow regulations, and so on for total water use.

(2) H. R. 8750 could permit the construction of dams and reservoirs of more than 5,000 acre-feet total capacity, provided that the excess over 5,000 acre-feet was for purposes other than flood prevention (flood control), and the cost of construction of the excess was borne entirely by the local organization.

(3) The proposal would amend Public Law 566 so that local organizations would not be required to pay construction costs applicable to flood prevention, but would require them to participate in other costs according to the benefits obtained. This substantially equalizes cost sharing in Public Law 566 with that provided in the flood control acts, reclamation acts, and similar legislation.

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In Oklahoma water is our most important problem. We are a young and growing State whose consumption is growing by leaps and bounds. We are fortunate in having the fine work and excellent cooperation of the Corps of Engineers and Reclamation Service in all their endeavors to help us solve our water problems.

However, we have some situations where the Department of Agriculture, through the Soil Conservation Service, is considered by the municipalities to be the logical and proper agency for joint undertakings with municipalities. It should not be inferred that our support of H. R. 8750 detracts from or diminishes in any way our complete support of the Army and Reclamation programs.

There are a number of areas in Oklahoma where flood control, conservation, and municipal water supply are integral parts of the same problem, but where reservoirs for all purposes exceed the present 5,000 acre-feet limitation. Some of these, I am advised by engineers for the municipalities, would run to about 56,000 acre-feet total capacity.

Ada, one of our finest communities, has always depended upon the waters of Byrd's Mill Springs, one of the best sources of good water in east-central Oklahoma. The flow from these springs ran from a summer low of 7,000,000 gallons per day to a maximum of 18,000,000 gallons. Their present yield is 4,000,000 gallons. The need is far 40,000 acre feet of municipal storage. A conservancy district is now being formed in the Ada area, and considerable savings to both could be effected if Ada and the SCS could join hands.

I am advised that similar benefits and economies could be made for areas which include Guthrie, Shawnee, Walters, Waurika, Grandfield, Altus, Chickasha, Wewoka and Seminole. I am not familiar with all the details of these projects. However, we have here other individuals from Oklahoma who are familiar with them.

In closing, I cannot overlook this opportunity to say that this subcommittee, this year, has in my opinion rendered to the people of the Nation the greatest services of all its history, in its work on the Interstate Highway Act.

What we seek here today is very small in comparison, but I am happy we are able to present it to a committee which has so vividly demonstrated its vast ability. On the part of the municipalities of Oklahoma, I ask that you give favorable consideration to H. R. 8750 as it was passed by the House.

Senator KERR. Mr. C. O. Abercrombie, from one of Oklahoma's great organizations, the Oklahoma Farmers' Union.

STATEMENT OF C. O. ABERCROMBIE, OKLAHOMA FARMERS' UNION

Mr. ABERCROMBIE. Thank you, Mr. Chairman. I believe that my paper perhaps takes up the support of Public Law 8750 in a different light, but I believe it should be expressed here so that this group will have a better understanding of the other benefits of its offering.

It is a pleasure to have an opportunity to present testimony that I feel certain might add to your knowledge of our needs for this great country. Soil and water conservation are terms that should be recognized by each of you as being synonymous with the words preservation or conservation of our national prosperity. In a large sense, a Nation writes its record on the land, and a civilization records its history on the land. A record that is easy to read by those who understand the simple language of the land. Let us look at some of the records that have been written on the land.

In the westward course of civilization, from the Holy Lands of the Near East to the Pacific coast of our own continent, failures are more numerous than successes. These facts are told by the ruins and wrecks of works along the amazing trail that agriculture has led throughout the past 7,000 years.

From these failures and successes we may learn much that might profit and benefit this young county of ours, these United States. We are a young country, having set up housekeeping just a short 300 years ago. Our history is told and will be told by agriculture.

Agriculture itself has been traced through the last 7,000 years and tells the story and history of each country. Even today the world is made dangerous by the desperation of peoples suffering from privations and fear of privations, brought about by restrictions on the exchange of goods and necessary things of Mother Earth. Raw materials for modern industry are localized here and there over the globe. They are not equally available to national groups of peoples who have learned to make and use machines. Wants and needs of food and raw materials have been growing up unevenly, bringing on stresses and strains in international relations. These are seized upon by ambitious people and leaders seeking to control by force the sources of such food and raw materials.

Lasting solutions to these problems will come in another way—a way far different from strife and struggles. The just relations of peoples to the earth rest not on exploitations, but rather on conservation, conservation and restoration of the productive powers of the land and on access to food and raw materials. If our civilization is to avoid a long decline like the one that has blighted north Africa and the Near East for the last 13 centuries, society must be born again out of an economy of exploitation and into an economy of conservation. It was not until tillers of the soil grew more food than they themselves required were there sufficient of their people released to do tasks other than the growing of food, that is, to take part in division of labor that became more complex with the advance of civilization.

The genius of the American people has given us more than any other nation ever possessed. They comprise our American standard of living. Food comes from the earth. The land with its waters gives us nourishment. The partnership of the land and the farmer is the rock foundation of our complex social structure, and it is to our Nation's interest to preserve the soil so that this partnership will never be broken.

In 1938, in interest of permanent agriculture and the conservation of our land resources, the Department of Agriculture took its first steps toward soil and water conservation with the formation of the Soil Conservation Service. But agriculture had its beginning at least 7,000 years before, and developed first in two great centers, the fertile alluvial plains of the Mesopotamia and the Valley of the Nile.

Mesopotamia failed because of the failure of their irrigation canals, because of silt. Agriculture was practiced in a dry climate by canal irrigation with muddy water from the Tigris and Euphrates Rivers, rivers which had their headwaters in exploited lands. These muddy waters were the undoing of empire after empire, for 11 empires rose and fell in this tragic land during the last 7,000 years. Digging silt from the canals was a "must" but was interrupted from time to time by internal revolutions, and by foreign invaders, and each time these empires were brought face to face with disaster as the canals choked with silt.

Stoppage of the canals by silt depopulated villages and cities more effectively than the slaughter of the people by an invading army. A similar fate met the residents of the Nile Valley in Egypt. You are acquainted with the story of how Moses having led the Israelites through 40 years of wandering in the wilderness stood on the mount and looked across the Jordan Valley into the Promised Land. He described this to his followers in words like these:

For the Lord thy God bringeth thee into a good land, a land of brooks, or water, of fountains and depths that spring out of the valleys and hills; a land of wheat and barley and vines and fig trees and pomegranate, a land of olive oil and honey; a land wherein thou shalt eat bread without scarceness; thou shalt not lack anything in it; a land whose stones are iron, and out of whose hills they mayest dig brass.

The Bible and history point out definitely that the Jordan Valley was just as it was written. But today the Jordan River is a muddy and disappointing stream. The soils of red earth have washed off the slopes to bedrock on more than half of the upland area. These soils are lodged in the valleys and are still being cultivated and are still being eroded by great gullies cut through the alluvium with every heavy rain. Only dregs of land are left behind in the narrow valley floors, still cultivated to meager crops. The soil left can support but a very tiny portion of the population that it once supported.

The land that Moses described to the Israelites as flowing with milk and honey stands today a wretched area offering little to modern civilization.

The graphic story of Jordan Valley was written on the land. Capt. P. L. O. Guy, director of the British School of Archeology, made a study of the highland area of Judea, and all of the abandoned village sites found in the drainage area of Wadi Musrara River which were occupied 1,500 years ago. Since that time they have been depopulated and abandoned in greater numbers on the upper slope. Captain Guy divided the drainage of Musrara into three altitude zones. On the plain, 34 sites were occupied and 4 abandoned; in the foothills, 31 occupied and 65 abandoned; and in the mountains, 37 occupied and 124 abandoned. In other words, villages have been thus abandoned in the 3 zones by percentages in the above order of the 11, 67, and 77 percent, which agrees well with the removal of the soil. In all of the old civilizations, if the soils had remained, even though the cities were destroyed and the population dispersed, the area might be repopulated again and the cities rebuilt.

Now that the soils are gone, all is gone. Few people really realize that most of the desert areas in the Middle East are manmade deserts. For when all the measures for conserving soil and water that have been built up through the centuries were allowed to fall into disuse and

ruin, erosion was unleashed to do its deadly work in making the deserts our tourists see today.

In China, the Yellow River, known as China's Sorrow, in their own history books, has been their sorrow throughout the years simply due to conservation practices they didn't know about. For high in the headwaters in the Province of Shansi, the line of cultivation was pushing up slopes following the clearing of the forests. Soil that should have been protected by a forest mantle was exposed to summer rains and soil erosion is in the headlong process of destroying land and filling the Yellow River with soil waste and debris bringing grief to the millions in the alluvial plain below, where the fall was 1 foot per mile. The slowing waters made their deposit of silt filling up the river bed, making it more necessary to build the levees higher until those fateful dates recorded in history when the Yellow River broke over these manmade dikes, costing thousands of lives and millions in property damage.

The tiller of the soil is not the only one guilty of allowing the forces of erosion to be unleashed. Careless grazing of the hills easily loosens this terrible force. The landscape changes rapidly as the soil mantle is washed off the upper slopes to bedrock. Accelerated runoff from the bared soil and rock cuts gullies in the upper edge of the soil mantle, working it downhill as if a great rug was being pulled off the hills. The accumulation of torrential flows during winter storms cuts great gullies through the alluvial plains. The effect of this is to lower the water table, bringing about the effects of desiccation without reduction in rainfall; and that probably is the trouble with the Rio Grande Valley today.

This country has been damaged seriously in this manner, and its capacity to support its population much reduced. Unleashed and uncontrolled soil erosion is sufficient to undermine a civilization as it has done many times. Certainly we people here in the United States have advanced far enough in our civilization that we should recognize these potentials and ward them off. North America, as the first colonist entered it, was a vast area of good land, more bountiful in raw materials than ever was vouchsafed any people. Its soils were fat with accumulated fertilities of the ages. Its mountains were full of minerals and forests, its clear rivers were teeming with fish. All these were abundant soil productivity, raw materials, and power for a remarkable civilization.

Here is the last frontier, for there are no new continents to discover, to explore, or to exploit. If we are to discover a way of establishing an enduring civilization we must do it here in the United States. We have not yet fully discovered the way. We are searching for the way and the light. This is the challenge of the ages. The key to this vexing problem is to prevent any more soil being carried from the slopes than naturally forms. There is a chance to solve this age-old problem of establishing an enduring civilization and find an adjustment of the people to its land resources.

The United States today is like a great farm with fields suited to the growing of cotton, corn, and other crops and of land for pastures, woods, and general farming. In the West our country has vast grazing lands, well suited to the raising of herds of sheep and cattle and fertile alluvial valleys in the arid region, overawed by high mountains that condense the waters out of moisture-laden winds to irrigate gar-

den lands. Such is the American farm capable of feeding at least 350 million people, when the land is intensely cultivated under full conservation techniques. And when fully occupied with a complex division of labor, the land will give us a higher general standard of living than we enjoy today.

In an underpopulated land such as ours now, farmed extensively rather than intensively, there will be considerable slack before privations on a national scale overtake us. But privations of individual farm families resulting from the wastage of soil by erosion are indicators of what will come to the Nation. As our population increases, farm production will go down from depletion of soil reserves and resources, unless effective techniques of soil conservation are used throughout the land.

Now is the time, while we still have much good land capable of restoration to full or greater productivity, to carry through a full program of soil and water conservation. Such is necessary for building here a civilization that will not fall as have others.

A solution to the problem of farming sloping lands must be found if we are to establish enduring agriculture in the United States. We have only about 100 million acres of flat alluvial land where the erosion hazard is negligible, out of the 460 million acres of land suitable for crops. Most of our production comes from sloping lands, where the hazard of soil erosion is ever present. This calls urgently for the adaptation and application of measures of conservation of our soil.

You all have seen the danger signs that are out; sheet erosion that develops into gullies if allowed to continue unchecked for a few years. Such gullies become numberless gutters, leading off storm waters and flash floods that gouge out miniature gorges and ruin the land for further cultivation. Material washed out of such gullies is swept down into river valleys to shoal streams, filling reservoirs and destroying water storage for hydroelectric power and for irrigation. Agriculture's greatest problem throughout the ages is in trying to establish a permanent agriculture on sloping lands. This problem is with us here in the United States, where millions of acres have been destroyed for further cultivation and abandoned.

Our solution for safeguarding our soils and slopes where soil erosion by water is the hazard is: To increase the rainwater intake capacity of the soil by retaining crop litter on the surface, soil improvement, crop rotation, stripcropping on the contour, and by leading away unabsorbed storm waters in channels of broad-faced terraces into outlet channels and natural drainage channels. We have applied these measures during recent years over millions of acres, as you may see from an airplane when you fly over the country.

We are laying special emphasis on saving the physical body of soil resources, rather than fertility. Maintaining fertility falls properly to the farmer himself. Conserving the physical integrity of the soil resource falls on the Nation as well as the farmer in order to save the people's heritage and safeguard the national welfare. If the physical body of the soil resources is saved, we as a people are safeguarded in liberty of action. We can apply fertilizer and plant a choice of crops in accordance with the market demands and national needs. If the soil is destroyed, then all our liberty of choice and action is gone, condemning this and future generations to needless privations and dangers.

So big is this job of saving our good lands from further damage and reclaiming to some useful purpose vast areas of seriously damaged land, that the full cooperation of each individual with technical leadership and assistance by the Government is not only desirable but necessary if we are to succeed. Land, after all, is not an economic commodity; it is an integral part of the Nation, even as its people are, and requires protection by the individual owner and the Nation as well.

If Moses had foreseen what was to become of the Promised Land after 3,000 years, and could have foreseen what suicidal agriculture could do to a land, I believe he might have been inspired to deliver another commandment to establish man's relation to the earth and to complete man's trinity of responsibility to his Creator, to his fellow man, and to this earth.

The legislatures in all States and in our National Capitol have recognized the Government's responsibility in preserving the physical body of our soil. Few legislators truly understand why they favor conservation measures, except they unconsciously feel there is a relationship between it and mankind's well-being. Those who oppose the advancement of conservation do so under the mistaken conviction that he is simply opposing another farm relief program. This Nation is fortunate in having several intelligent authorities on soil and water conservation in both the House and Senate. Under their leadership we have seen created the agency known as the Soil Conservation Service, and through the years we witnessed the passage of soil conservation bills that have enhanced the farmers' opportunity to slow the devastation of our country's soil and resources.

More recently the Hope-Aiken Act, known as Public Law 566, was given to the farmers of America as a tool with which it might attack the problem of providing a permanent agriculture. It is not intended to ridicule a modest beginning by comparing the appropriation for the upstream protection program, but you should weigh in your own mind this program's importance to some of the trivials your office causes you to consider. Though we have made several steps forward toward a better conservation program, we need to make giant strides in order to catch up and overcome the loss that has already occurred. Public Law 566 is inadequate in its present form. The effectiveness of this law is very limited. It needs to be liberalized and currently in the Senate subcommittee here there is a proposal known as the Poage bill, or Public Law 8750, that will liberalize Public Law 566 in such a manner that it might become a better tool to our farmers and conservationists. It is recognized that three important changes are needed to make the law more acceptable to farmers of the Nation and particularly to the farmers of Oklahoma. Notably, they are:

(1) The flood-control features of the program should be borne by the Federal Government and not the local organizations. This places too much burden on the individual farmer in the watershed. He should not be called upon to pay for benefits that will be community and national benefits. Historically the Federal Government has assumed this liability for flood control.

(2) A means of financing these programs is necessary. It is recommended that the Government provide loans at a low rate of interest to individuals and organizations sponsoring these small watershed programs. The areas in the direst need are those that are not finan-

cially able to bear the high initial cost of the current program. Make it possible for them to repay the loans with the prosperity furnished by the benefits of this program.

(3) The limitation of the acre-feet of any one structure should be removed. This 5,000 acre-foot limitation is not necessary. When the earth was set in motion, there was no limitation set on how much water would fall on any given spot; nor was the size of the watershed controlled; nor the volume of water that would be carried down the streams of any tributary of our river system. In some instances a full measure of protection cannot be planned, because of this limitation, and the availability of sites for structures. Certainly a site should be used as economically as possible and when possible, certainly, the site should be used for the benefit of the people. It is wasteful to not include storage of water for other beneficial uses if the site can accommodate such a program.

Again I say, the problem of permanently extending civilization beyond the productive capacity of our alluvial plains lies in our ability to find a means of preventing soil from leaving the slopes any faster than it is naturally formed. Those nearer to the soil than you are fervently praying that you take this opportunity to give them another tool to help them in defending our future generations from privations—privations like those that are now being visited upon the people to whom you are giving aid and relief. In many of the countries receiving aid from the United States, the sin of omission, their failure to conserve their soil, is the reason for their hunger and weakness.

In closing, let me remind you that the history of every civilization is written in the soil. Today we see privation on a few individual farms in this country; tomorrow that number might be multiplied many times. May your action here today extend our Nation's rich history and prosperity.

Senator KERR. Thank you very much, Mr. Abercrombie, for a very excellent statement.

Are there any questions?

Senator HRUSKA. I just want to observe, Mr. Chairman, that this paper surely puts our efforts and our considerations here into historical perspective, which is very useful. I think it is very fine.

Mr. ABERCROMBIE. Thank you.

Senator KERR. I have from the assistant legislative secretary of the National Farmers Union, Mr. Angus McDonald, a statement that he has asked we insert into the record at this point.

(The statement of Mr. McDonald follows:)

STATEMENT OF ANGUS McDONALD, NATIONAL FARMERS UNION

Our attention was recently called to a bill, S. 3727, which would implement Public Law 566 and broaden the authority of the Department of Agriculture to prevent floods on small watersheds and carry on land treatment measures. We are certainly in favor of the principle set forth in this legislation, but feel that the bill could be greatly improved. It would prevent, under our interpretation, the Federal Government from bearing the cost of any programs other than flood prevention. While as a general rule we do not believe loans or grants are necessary for carrying out the part of a watershed and reservoir program, we suggest that in some instances, small towns and cities will be unable to provide necessary funds for water disposal and residential and industrial water programs.

The Poage bill, H. R. 8750, is not subject to this same deficiency and would permit inclusion of municipal and industrial water supply and water improvements for fish and wildlife, streamflow regulation to abate pollution, salt water

intrusion control and other purposes. We prefer the enactment of H. R. 8750 to that of S. 3727. However, H. R. 8750 does not provide for preference in regard to benefits from Federal irrigation projects. I refer to the statute in our reclamation laws which limits the amount of land used by any 1 family to 160 acres if brought into the Federal reclamation program.

We suggest that this provision be written in the bill. We also suggest language in the bill which would preserve the preference provision in regard to electric power, if there is any likelihood that electric power will be generated with any Federal project.

I call your attention to a letter written to the Washington office of the National Farmers Union by Senator Frank Barrett who solicits our support of H. R. 10299. This bill also is a watershed protection bill which ignores the 160-acre limitation. Senator Barrett in his letter says:

"The conference committee agreed that it would report out a compromise bill using the language incorporated in H. R. 10299, herewith enclosed, with the understanding that the conference report would be held up in the Senate until after the watershed protection bill was passed and sent down to the White House. I am hopeful that we can get early action on the watershed protection bill and that later on the small projects bill will be cleared through both houses and sent to the President for his approval."

The Senator, I presume, is referring to S. 5881, which originally passed the Senate with the preference provisions in it, both in regard to irrigation and electric power. The bill, in its travels around the Capitol, wound up with the preference provisions deleted. The bill as passed by the House and as agreed by the conference was recently approved in the form of a conference report.

Because the situation has become so involved and approval of one bill which is desirable legislation, if slightly amended, is dependent on approval of what we consider undesirable legislation, that is S. 5881, Farmers Union is now forced to oppose all of these bills unless each bill is considered on its merits. We are opposed to any legislation which would whittle down or ignore the 160-acre limitation.

Senator KERR. Mr. Herschel Burrus, executive director of the Oklahoma State Soil Conservation Board.

All right, Mr. Burrus.

STATEMENT OF HERSCHEL BURRUS, EXECUTIVE DIRECTOR OF THE STATE SOIL CONSERVATION BOARD OF OKLAHOMA

Mr. BURRUS. Mr. Chairman, gentleman of the committee, I am Herschel Burrus, executive director of the State Soil Conservation Board of Oklahoma. I appear here, at the request of the members of the Oklahoma Association of Soil Conservation Districts, representing a group of 120,000 Oklahomans vitally interested in the watershed program, and regard it as a solution to their soil and water conservation problems.

During the 83d Congress, Public Law 566 was passed, giving the farmers a tool to make it possible to live with sporadic torrential rains and the flash floods of our State. This tool, Public Law 566, still has a few spare parts missing. The loss in the form of top soil, crops, farm buildings, livestock, fences, roads, equipment, and time, to say nothing of countless lives, runs into untold millions of dollars. Yet the answer to these problems is still just out of reach, because Public Law 566, though it was one of the finest pieces of legislation passed by the 83d Congress, is still lacking. It does not meet the needs of the people and communities on the small watersheds of Oklahoma.

May I suggest three changes that would make the law more acceptable to the farmers of Oklahoma. The first is: The flood-control features of the program should be borne by the Federal Government and not the local organization. This places too much burden on the individual farmer in the watershed. He should not be called upon to

pay for benefits that will be community and national benefits. Second, provide loans with low interest rates to the individuals and organizations sponsoring these small watershed programs. The areas in direst need are those that are not financially able to bear the high initial costs. Make it possible for them to repay the loans with the prosperity furnished by the benefits of this program. Third, the limitations of the storage capacity should be removed.

My reason for these three changes is: The farmers of Oklahoma are willing and ready to furnish the necessary lands, easements, rights-of-way, and to apply the necessary land treatment measures, contract for all the structures, and assume the perpetual responsibility and costs of continuous operation and maintaining the structures after they are built, while the Federal Government pays only that portion directly applicable to flood prevention.

Quite naturally the landowner immediately below a flood impoundment structure would be the first to benefit. However, those far down the creek, and even on the main stem, also benefit. Notwithstanding, they who have the structure have the inconvenience of the structure, and those other troubles of flood water storage that render his property less valuable. Therefore, it would seem reasonable that those downstream should be willing for a portion of their taxes to be spent to keep floodwaters away from their land by keeping it upstream.

Another aspect often overlooked is that those properties downstream, when protected from floods, increase in value in direct proportion to the amount of that flood protection. The production downstream is increased just the same as it is increased on the land directly below the structure. When you recognize the fact that all persons in the watershed benefit, you also should recognize the fact that the flood control features are a Government responsibility. We should not penalize the persons in the immediate area by the current high rate of participation Public Law 566 now requires.

When we store the water on the hillside, we protect our productive land against floods and maintain its productivity, and also have the water as protection against drought and famine, thus insuring our ability to be ready for any eventuality. This asset alone justifies immediate steps to accelerate our upstream flood protection program. One of the great attributes of American production is being able to produce an abundance of food and fiber when it is needed, such as in World War I and II. The history of every civilization is written in the soil. Let us pray that future historians can record the fact that you men here today had the wisdom to provide the tools for a permanent agriculture.

My second observation of the changes needed is: The amount of money needed by the local organization to finance its share of carrying out works of improvement provided for in the act will run into many thousands of dollars, dollars they may not have. We strongly recommend that the Secretary of Agriculture be authorized to make loans to individuals and organizations. Local organizations attempting to raise the necessary cash to finance their share of the costs will have a very difficult obstacle at the beginning of their search for funds.

A bond issue would be the logical approach to the problem; but with the market flooded as it is at present with bond issues for new schools, roads (both toll and free), streets, waterworks extension and

improvements, hospitals, airports, municipal buildings and bonds for other purposes, all with many years of credit experience back of each issue, watershed bonds will, in all probability, be unsalable, unless high interest rates are offered as an inducement to potential purchasers. Watershed bonds are new and untried obligations, therefore, would suffer in competition.

Most municipal bonds mature serially over a period of years, rarely exceeding 20 years. Because the watershed indebtedness must be paid by the recipients of the benefits derived from the watershed improvements and because of the overlapping of indebtedness by school districts, municipalities in the water shed, and counties, the tax structure in the watershed will tend to be extremely burdensome on the landowners. This situation can be resolved into a more nearly equitable tax structure, if the Secretary of Agriculture is permitted to extend loans to the local organizations to be repaid in not more than 50 years, at an interest rate equal to that of long-term United States Government bonds, which under present market conditions amounts to about 3 percent. If this provision is not made, it is possible that many watersheds that qualify in all respects under the Watershed Protection and Flood Prevention Act will continue to suffer annual floods which cause untold damage, because of their inability to find the necessary funds to finance their share of the costs.

My third point is the 5,000 acre-foot limitation contained in Public Law 566. When the good Lord set this universe in motion, he did not set any limitation on how much water would fall on any given watershed, nor did he try to control the size of the watershed or volume of water that would be carried by the streams of the watershed. In some instances a full measure of protection cannot be planned because of this limitation and the availability of sites.

One of the great features of Public Law 566 is that it was written to be operated by the local people, used by them for their own betterment. But if restrictions in the law render part of it inoperative, then the whole law becomes inoperative.

Now, I hope you gentlemen of the committee see that there is nothing personal in asking that the 5,000 acre-foot limitation be removed, because no one individual group or corporation is asking for it as personal gain. The people who live on the watersheds, who want to manage their own affairs without restrictions which hinder, that management are the ones who are asking for the change. You know these people in your own communities to be the salt of the earth. They come as near living by the Golden Rule as any group in America. They are asking that this restriction be removed so they can do what needs to be done. Experience has proven on the Pilot watershed projects that there are very few instances where a structure that will impound more than 5,000 acre-feet will be needed; but where it is needed, it is needed very badly. This law with this restriction in it is like a big powerful truck with no reverse gear. The truck would be capable of moving great loads but it would have a definite limitation as to its use.

The people who live on the small watersheds of America are interested only in being able to do the best possible job of flood prevention at the lowest possible cost to both the Federal Government and the local people. We can do neither with the 5,000 acre-foot limitation.

My comments are based upon opinions and observations gathered while visiting among the supervisors and farmers of the 86 soil-conservation districts of Oklahoma, and contacts with like organizations throughout these United States. The citizens of this great country who would like to use Public Law 566 to improve and strengthen their portion of the country would like your earnest and prayerful consideration of the changes herein propounded. May I remind you that the failure of every ancient empire was traced to their inability to cope with the movement of their soil down the slopes.

My humble thanks to you gentlemen of the committee for the opportunity to come before you and present our views on this important legislation.

Senator KERR. Thank you very much, Mr. Burrus.

Are there questions?

Senator HRUSKA. No questions, Mr. Chairman.

Senator KERR. Mr. Marvin Guinn, secretary of the Oklahoma Soil Conservation Board.

I want the record to show the chairman is very happy to have all these Oklahoma boys here on this matter.

STATEMENT OF MARVIN GUINN, SECRETARY, OKLAHOMA SOIL CONSERVATION BOARD

Mr. GUINN. Mr. Chairman, I am more or less excess baggage.

Senator KERR. I would say "less" than "more." Sit down.

Mr. GUINN. I don't have a written statement. I feel like appearing here bringing to you the thinking of Mr. Average Farmer. After all, that's what I am.

I live in Byars, Okla., and I am connected with the State soil-conservation board, a member of that board.

I would like to mention the fact that we seem to be all agreed of the importance of water conservation here today. No one questions that. As to how we arrive at a program, this kind of a program, is determined by what you hear today.

In appreciate the fact that since this is so close to Independence Day that Mr. Average Citizen is granted an opportunity to have a voice in formulating the policies of this great Government of ours. It reinvigorates my patriotism, because this is my first opportunity. I want to take that back home to my neighbors and friends and impress upon them that we do have a Government here that is interested in what the average citizen thinks. There are so many places that doesn't happen.

That is a preliminary remark, Mr. Chairman, I just wanted to make.

There have been a few "boogers" pointed out in what we are asking for here today in H. R. 8750 which I would like to try to eliminate in my poor way.

One Senator from Colorado this morning pointed out the fact that you might have one structure where the benefit is entirely to one man. I can't conceive of a flood-control program where the benefit is entirely local. You take his example for instance. The surplus water from that one structure—he had to have a watershed—eventually enters somebody's stream. It can't all be local.

I conceive of upstream flood-control programs in this manner: The benefits are not local for the simple reason it is an overall program.

Whenever you have flood control on the watershed you have got flood control on the main stem. You have got flood control clear down to the mouth of the Mississippi River. And if that isn't a national program I don't know how to conceive of a national program.

The farmers' thinking on sharing in the cost of structures is this: They feel when they have contributed the rights-of-way, easements, and land treatment and they have done their share because it is a national program and the benefits are national. Even though you might increase or raise his economy, he is going to pay more taxes as a result of that. It also reinvigorates the economy in various ways because of his increased production. That is a national asset.

I think that the farmers—I know because I have heard them talk—what they want is a bill like we are considering here today, H. R. 8750.

Even though you could establish the fact that they might ought to share in the cost of structure, the farmer's economy today is not such that he could do it.

I think the cost-sharing feature in 566 is a conception from the Department of Agriculture, and the answer from the farmers is this: "Mr. Secretary, don't you call on us, because we can't do it. We have a note due at the bank. We're going to have to renew it."

That is the reason they cannot share in the cost-sharing on the structures.

Mr. Chairman, I would like to close with this remark: I think in Public Law 566 we were expecting something we didn't get, and I remember it took probably 3 or 4 months to interpret the law after Congress passed it. I would like to see in H. R. 8750 the intent set out so plain and firm that it does not need any interpretation.

When 566 came out, I was reminded of the farmer who took his wife to the beauty parlor. He had to meet her an hour later. And he drove up, and she came out to the car, and he gazed at her, and she said, "Well, I'd like for you to take me home."

He said, "If you'll walk down the block a ways I'll pick you up, because I'm waiting here for my wife to come out, and I've got to get back before she gets here." [Laughter.]

That's about the disappointment we had in Public Law 566 I think. Senator KERR. All right, sir. Off the record.

(Remarks off the record.)

Senator KERR. We want to thank you for what I must say is a very, very effective and practical statement.

Mr. Gordon Zimmerman of the National Grange.

STATEMENT OF GORDON ZIMMERMAN, RESEARCH DIRECTOR, THE NATIONAL GRANGE

Mr. ZIMMERMAN. Thank you, Mr. Chairman.

Senator KERR. Mr. Zimmerman, we are glad to have you. Proceed.

Mr. ZIMMERMAN. I am Gordon Zimmerman, research director of the National Grange, and I have a short statement I believe I can make a little shorter.

Senator KERR. We will be happy to insert it in the record, and you give such part of it as you would like to.

Mr. ZIMMERMAN. I would like to say that the National Grange thoroughly and heartily supports H. R. 8750. We believe that the broadening of this act by removing some of the restrictive language

now contained in it would not only permit a more comprehensive type of watershed program but encourage local organizations to take a much more active interest in their watersheds and in their water resources.

Residents and organizations in watershed areas, we believe, are understandably interested in carrying out fairly broad-scale programs of improvement in their watersheds, and not just agricultural developments limited to irrigation, drainage, conservation, and flood control. They are also interested in water development and storage for such purposes as recreation and municipal and industrial supply. In some localities a reduction in water pollution is an important objective.

The proposed amendments to the Watershed Act would permit the Secretary of Agriculture to assist local organizations in planning and carrying out this sensible and wider range of improvements. Properly, the bill would assign construction costs, in connection with any water-storage capacity in excess of 5,000 acre-feet, and for purposes other than flood prevention, to local organizations. But local organizations would not be required to share in the construction costs of structural measures applicable to flood prevention.

The National Grange supports this position on cost-sharing.

At the last annual session of the National Grange, the delegate body declared:

A uniform cost-sharing policy should be applied to flood-control projects of the various Federal agencies. Farmers are now being asked to share in watershed flood-control costs on a 50-50 basis with the Government, which is inequitable and undesirable in view of the fact that downstream and other Federal flood-control operations are carried on without such cost-sharing.

That is the end of the position.

Senator KERR. Don't you think, in view of the extraordinarily high income of the farmers and their very prosperous condition at this time, that if the Federal Government is going to make an exception and let any group of its citizens share in a program of which they are a portion recipient of the benefits, that the farmer should be the No. 1 that would be picked out and permitted to do that?

Mr. ZIMMERMAN. I am sure that the Grange folks feel exactly like that, Senator.

Senator KERR. You mean just exactly like I feel?

Mr. ZIMMERMAN. Yes, sir.

I would like to interpolate here a minute by saying that at our last national session this point was made over and over again, and I know of no program among our members that has excited their deeper interest, nor was there any livelier discussion on any other program than this one, and that includes the soil bank and domestic parity, which is near and dear to Grange members' hearts. This business of cost sharing is something they feel very deeply about, and our next comment here goes to this point. For we have the feeling that, in view of what is happening to farm income, there can be little justice in asking farmers to share flood-control costs when our more prosperous cities are absolved from such cost sharing.

We have heard that a change in cost-sharing policy with respect to flood-control operations of the Army engineers and the Bureau of Reclamation is being considered—and that the direct, identifiable beneficiaries may be asked to share in such costs. While there is much

to be said for such a principle of cost sharing, it strikes us as unwise and unfair to require farmers to set the example and lead the way.

We have been interested to notice, in this general connection, the progress of the small reclamation projects bill, H. R. 5881. This bill, which provides for water-impounding structures for irrigation, flood control, municipal, industrial, and domestic water supply, and for other purposes, does not require cost-sharing for flood control on the part of local organizations.

This small-projects bill, now awaiting a decision by the Senate, as I understand it, on the report of the conference committee, applies only to the 17 Western States. It is apparently the understanding of many Members of both the Senate and House, however, that the Watershed Act will be amended to provide similar benefits for the Eastern and Midwestern States.

There is more to my statement here, but I would only go on to say that except for the amendment which applies to the terminal date with reference to contracts we do support vigorously the provisions of H. R. 8750.

Senator KERR. And you think that that date should be extended?

Mr. ZIMMERMAN. I do, sir.

Senator KERR. Thank you very much for your statement, Mr. Zimmerman.

Mr. ZIMMERMAN. Thank you very much.

Senator KERR. Are there any questions?

(No response.)

Thank you.

(Mr. Zimmerman's statement follows:)

STATEMENT FOR THE NATIONAL GRANGE BY GORDON K. ZIMMERMAN, RESEARCH DIRECTOR

The National Grange has a deep interest in programs for the conservation, development, use, and disposal of water resources in the watersheds of the country. We have the same deep interest in programs designed to provide a greater degree of protection against floods. Some of the most effective work for flood prevention, we believe, can be accomplished in the small watersheds of the Nation.

For these reasons we have followed rather closely the functioning of the Watershed Protection and Flood Prevention Act of 1954. This is a pioneering act, and we completely approve of its objectives. Since its enactment nearly 2 years ago, however, it has become apparent that improvements are necessary in the body of the law if it is to accomplish its intended purposes. Certain limitations and burdens, in particular, should be removed.

H. R. 8750 and the identical Senate bills (S. 3243 by Senator Carlson and S. 3371 by Senator Fulbright) would amend the act to provide most of the essential improvements. The Grange, therefore, heartily supports this legislation.

Broadening the act, by removing some of the restrictive language now contained in it, would not only permit a more comprehensive type of watershed program, but encourage local organizations to take a more active interest in their watersheds and their water resources.

Residents and organizations in watershed areas, we believe, are understandably interested in carrying out fairly broad-scale programs of improvement in their watersheds, and not just agricultural developments limited to irrigation, drainage, conservation, and flood control.

They are also interested in water development and storage for such purposes as recreation, and municipal and industrial supply. In some localities, a reduction in water pollution is an important objective.

The proposed amendments to the Watershed Act would permit the Secretary of Agriculture to assist local organizations in planning and carrying out this sensible and wider range of improvements. Properly, the bill would assign construction costs, in connection with any water storage capacity in excess of 5,000 acre-feet, and for purposes other than flood prevention, to local organizations.

But local organizations would not be required to share in the construction cost of structural measures applicable to flood prevention.

The National Grange supports this position on cost sharing.

At the last annual session of the National Grange, the delegate body declared: "A uniform cost-sharing policy should be applied to flood-control projects of the various Federal agencies. Farmers are now being asked to share in watershed flood-control costs on a 50-50 basis with the Government, which is inequitable and undesirable in view of the fact that downstream and other Federal flood-control operations are carried on without such cost sharing."

Considering what has been happening to farm income, there can be little justice in asking farmers to share flood-control costs when our more prosperous cities are absolved from such cost sharing.

We have heard that a change in cost-sharing policy with respect to flood control operations of the Army engineers and the Bureau of Reclamation is being considered—and that the direct, identifiable beneficiaries may be asked to share in such costs. While there is much to be said for such a principle of cost sharing, it strikes us as unwise and unfair to require farmers to set the example and lead the way.

We have been interested to notice, in this general connection, the progress of the small reclamation projects bill—H. R. 5881. This bill, which provides for water-impounding structures for irrigation; flood control; municipal, industrial, and domestic water supply; and for other purposes; does not require cost sharing for flood control on the part of local organizations.

This small projects bill, now awaiting a decision by the Senate on the report of the conference committee, applies only to the 17 Western States. It is apparently the understanding of many Members of both the Senate and House, however, that the Watershed Act will be amended to provide similar benefits for the Eastern and Midwestern States.

As the Watershed Act now stands, no single structure may be included in a watershed plan if it provides more than 5,000 acre-feet of water storage capacity. Moreover, the law provides that watershed plans containing any structure with a capacity of more than 2,500 acre-feet must be approved by resolutions of the Senate and House Committees on Agriculture.

H. R. 8750 would beneficially modify these restrictions. The amending language would permit structures of more than 5,000 acre-feet capacity to be included in watershed plans if:

1. The capacity in excess of 5,000 acre-feet is for purposes other than flood prevention.

2. The structure is to be built by a local organization as an integral part of a watershed plan, and

3. The construction cost for capacity in excess of 5,000 acre-feet is to be assumed completely by the local organization.

The proposed new section 8, provided in H. R. 8750, is a desirable addition. This would authorize Federal loans to local organizations to help finance their share of the costs of works of improvement. Such an authorization for low-interest long-term credit up to 50 years is, in our opinion, an essential encouragement and a practical necessity.

The proposed new section 9 is obviously desirable. It would properly make the benefits of the act available to residents of Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

We appreciate, Mr. Chairman, this opportunity to present the views of the National Grange on these proposed amendments to the Watershed Act.

Senator KERR. Mr. Matt Triggs, assistant legislative director of the American Farm Bureau Federation.

STATEMENT OF MATT TRIGGS, ASSISTANT LEGISLATIVE DIRECTOR, AMERICAN FARM BUREAU FEDERATION

Mr. TRIGGS. Thank you, Mr. Chairman. In view of the lateness of the hour—

Senator KERR. You need not let that disturb you, sir. It does not disturb us. You go ahead and give your statement as you want.

Mr. TRIGGS. In that case, it is a short statement and I will read it. I hesitate to take the time of the busy Senators.

At the last annual meeting of the American Farm Bureau Federation the voting delegates of the member State farm bureaus approved the following resolution:

We recommend that the Watershed Protection and Flood Prevention Act be amended to include Federal participation in the construction costs of structures designed to store water for conservation and beneficial use in addition to flood prevention.

Our position in this matter is based upon a belief that in planning the development of a watershed it is necessary and desirable that all potential uses of water in the area be considered. In some instances only a single use of water may be feasible, but in most instances multiple uses or conflicts in the use of such water for various purposes are involved. In such instances it is important that planning for a project be carried forward on a multiple-use basis.

The Watershed Protection and Flood Prevention Act now provides that no single structure may be included in a watershed program if it provides more than 5,000 acre-feet of total storage capacity. H. R. 8750 would amend this to provide that a structure in excess of 5,000 acre-feet capacity may be included in a watershed project if the capacity above 5,000 acre-feet is for purposes other than flood control and if the construction cost of the capacity above 5,000 acre-feet is borne by the local organization.

If the local organization and the Department of Agriculture, in the study and investigation of a watershed project, reach the conclusion that storage capacity in excess of 5,000 acre-feet is desirable for most effective and economic water utilization, it would appear to us that it would be unfortunate if they should be prohibited by statute, as is the case at present, from proceeding on such effective and economic basis.

The act now requires that any watershed project containing water storage capacity in excess of 2,500 acre-feet must be approved by the Senate and House Committees on Agriculture. H. R. 8750 provides that such committee approval shall not be necessary. Both the House and Senate Agriculture Committees would continue to have veto authority in connection with any such project. It would appear that specific committee approval of the many small projects that may be anticipated under the Watershed Act involves an unnecessary burden to the committees involved.

At the present time the act requires that any project involving irrigation be submitted to the Department of Interior for the Department's views and that any project involving floodwater detention structures shall be submitted to the Army engineers for their views. H. R. 8750 provides this will be necessary only where the Federal contribution is in excess of \$250,000. It would appear that the extent of interagency reference and investigation should not be the same in a project costing \$100,000 as in one costing \$3 million and that the proposal in H. R. 8750 to limit such interagency reference has merit.

At the present time the act provides that after July 1, 1956, all construction contracts must be entered into by the local agency, rather than the Department of Agriculture. H. R. 8750 strikes this date and provides that the Secretary may undertake construction after July 1, 1956, in those instances where no local organization is authorized by State law to undertake this responsibility. This is the

only feature of H. R. 8750 to which we are opposed. We believe it is important to maintain the act's concept of local responsibility and control, and that an essential feature of such local responsibility and control is that the local organization has sufficient legal and financial status to undertake the construction of the project. To eliminate this requirement would open the door for the program to become a Federal program with subordination of local responsibility and control.

Finally, Mr. Chairman, the opportunity of presenting the views of the American Farm Bureau on these matters is appreciated. We respectfully recommend expeditious action by the committee, looking forward to congressional approval prior to adjournment.

Senator KERR. Thank you very much, Mr. Triggs, for your statement. Are there questions?

Senator HRUSKA. Just this, Mr. Chairman: Mr. Triggs, directing your attention to the last few lines of page 1 of your statement, in there you indicate that it appears unfortunate to you that reservoirs with storage capacities in excess of 5,000 acre-feet should be prohibited by statute "as is the case at present." As a matter of fact, that is not the case at present, is it, Mr. Triggs? It might be that they would be prohibited under this particular act.

Mr. TRIGGS. I accept your correction.

Senator HRUSKA. Would it not be a little more fair and understandable to those who look at this whole picture?

Mr. TRIGGS. I was speaking in terms of a project under this act.

Senator HRUSKA. Yes. And, of course, there we get into one of the controversial or certainly one of the disputed points in this as to where the jurisdiction of this act shall leave off and something else take hold. Is that not about the—

Mr. TRIGGS. As to the upstream watershed program and the downstream flood-control program there must be a line of control. We never have recommended 5,000 acre-feet as the place to draw the line. We are inclined to believe it is too small. But it is not in the bill, and we are not recommending any change except as provided in 8750.

Senator KERR. Thank you very much, Mr. Triggs.

Mr. Stewart Brandborg, assistant conservation director of the National Wildlife Federation.

STATEMENT OF STEWART M. BRANDBORG, ASSISTANT CONSERVATION DIRECTOR, NATIONAL WILDLIFE FEDERATION

Mr. BRANDBORG. Mr. Chairman, I am Stewart Brandborg, assistant conservation director of the National Wildlife Federation. My organization represents some 3 million lay conservationists who are associated with it through affiliates in the States, the District of Columbia, and Alaska.

The National Wildlife Federation has a great interest in the proposed amendments to the Watershed Protection and Flood Prevention Act, Public Law 566, as passed by Congress in 1954. We know that soil and water conservation practices, if properly integrated with other land uses, can greatly enhance recreational and wildlife benefits

as well as increase the production of agricultural commodities and water supplies.

Amendment of Public Law 566 is timely in view of the need for speeding up the small watershed program in a manner which will be consistent with the high conservation standards set forth in its objectives.

We believe that the scope of the Watershed Protection and Flood Prevention Act should be broadened to include all aspects of conservation and development of the water resource. Amendments contained in H. R. 8750 and S. 3023 are needed to make this law applicable to additional phases of water conservation so that local projects may include municipal, industrial, recreational, and wildlife features.

We also approve the amendments to remove from the present law the existing 5,000 acre-feet limitation on the size of impoundment structures. This size limitation should be raised in order to eliminate the handicaps that would be imposed on the broader multiple-use projects that could come under the law. The present restriction of projects to 5,000 acre-feet capacities serves as an obstacle to the comprehensive development of resources in some of the small watersheds under this program. In these cases additional storage for purposes other than flood prevention is a logical part of the small watershed development. Some relief for this situation is provided in the language of H. R. 8750, as passed by the House, which would assign costs for any capacity in excess of 5,000 acre-feet, for multiple-purpose benefits other than flood prevention, to the local organization.

It is also proper that the local participating organization should not be made to assume any part of the construction cost for flood-prevention measures. The amendments, as contained in H. R. 8750 and S. 3023, to eliminate the burden of expense for flood-control benefits from the shoulders of the local participants, are fair and consistent with other Federal legislation as well as an inducement for getting better land management practices into use.

To avoid delay in getting underway with the projects authorized under this law, we recommend the deletion of the present provision which requires approval of the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, on any projects over 2,500 acre-feet capacity. There is a definite need for cutting out redtape in administration of the present law. This step is necessary in order to reduce the time required for clearance of projects. Similarly, another delay in activating programs would be avoided by the other amendment contained in H. R. 8750. This eliminates the requirement of the present law that plans for works of improvement involving a Federal contribution of less than \$250,000 be transmitted to the Congress through the President.

It is our belief that the effect of watershed programs carried out under Public Law 566, and as amended by this bill, will in 9 cases out of 10 be beneficial to fish and wildlife. But the benefits to wildlife and in public recreational opportunities will be greater if planning for these resources is included from the very beginning by bringing the wildlife experts that are available in Federal and State agencies into the planning picture.

H. R. 8750, as explained by the House committee report, would permit the Secretary of Agriculture to assist local organizations in planning and carrying out measures for the improvement of fish and wildlife. The House committee report also indicates that one of the purposes of the committee amendments is to permit some degree of Federal aid in the storage of water for irrigation, streamflow regulation and "other beneficial purposes." As stated above, the committee report includes "fish and wildlife improvements" as one of those beneficial purposes.

In this context it is clear that H. R. 8750, as passed by the House, would permit the use of Federal funds to enhance fish and wildlife resources in carrying out the basic objectives of the small watershed program. The National Wildlife Federation is gratified by this broadened concept and fully supports these provisions of the pending legislation.

Fish and wildlife resources are in short supply. The amendment of Public Law 566, as proposed by H. R. 8750, would give the Nation's farmers appropriate incentive to build up the supply of these resources for their own enjoyment and economic gain as well as for similar benefits to the people of the Nation as a whole.

The administrators of Public Law 566 have been aware of the fish and wildlife opportunities and dangers. Under date of May 12, 1955, the Administrator of the Soil Conservation Service and the Director of the Fish and Wildlife Service, Department of the Interior, entered into a memorandum of understanding "for the purpose of encouraging the coordination and integration of fish and wildlife conservation with works of improvement" carried out pursuant to Public Law 566. I have copies of that agreement and ask the permission of the committee that a copy be made a part of the record at this point.

Senator KERR. Is that the document of which you furnished us a copy?

Mr. BRANDBORG. Yes.

Senator KERR. It may be entered in the record either at this point or at the conclusion of your remarks, as you desire.

Mr. BRANDBORG. Whichever is most satisfactory.

Senator KERR. As you desire.

Mr. BRANDBORG. I think it would be appropriate to insert it at this point since it is very brief.

Senator KERR. Very good.

(The memorandum of understanding referred to follows:)

MEMORANDUM OF UNDERSTANDING BETWEEN FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, AND SOIL CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE

This memorandum is entered into for the purpose of encouraging the coordination and integration of fish and wildlife conservation with works of improvement carried out pursuant to provisions of the Watershed Protection and Flood Prevention Act of August 4, 1954 (Public Law 566, 83d Cong., 2d sess.), and to that end will provide guidance to all personnel in the Fish and Wildlife Service and the Soil Conservation Service.

GENERAL CONSIDERATIONS

1. The watershed protection and flood prevention projects may have a significant effect on fish and wildlife resources in some watersheds. Therefore, it is agreed that the Fish and Wildlife Service and the State fish and game agencies may make such recommendations for fish and wildlife conservation as they deem practical during the planning stage of projects under Public Law 566.

2. Local organizations, as defined in Public Law 566, may desire to incorporate measures for enhancement of fish and wildlife in watershed work plans based upon recommendations of State and Federal agencies, but no part of the cost of such enhancement measures will be paid for from appropriations made under authority of Public Law 566.

3. Costs of measures for mitigation of any damages to fish and wildlife resources resulting from the proposed works of improvement under Public Law 566 will be considered by the Soil Conservation Service as proper costs of the projects and such measures as are determined to be appropriate by the Soil Conservation Service shall be incorporated in the watershed work plan.

Tangible benefits or losses to such resources shall be appropriately credited or charged to the projects and intangible benefits and losses may be cited.

Watershed work plans should represent the program of local people. The Soil Conservation Service will participate in carrying out only those elements of the project, however, that are in accordance with the provisions of Public Law 566 and that it considers to be in keeping with the policies of the Department of Agriculture.

PROCEDURES

4. The Fish and Wildlife Service may make a reconnaissance study of proposed or approved watershed projects to determine (1) the probable effects of the project on fish and wildlife resources, and (2) whether detailed studies of the watershed area and project plans are needed properly to integrate measures for conservation of fish and wildlife into watershed work plans. These reconnaissance studies shall be financed from funds regularly appropriated to the Fish and Wildlife Service for river basin studies.

5. In the event detailed studies by the Fish and Wildlife Service of certain projects are recommended and both the need for and the estimated cost of making such studies have the concurrence of the Soil Conservation Service, the cost of such detailed studies will be financed by transfer of funds from the Soil Conservation Service.

6. Following the transfer of funds for these studies, the Fish and Wildlife Service shall proceed promptly to undertake them, in close consultation with the appropriate State fish and game agencies, the local offices of the Soil Conservation Service, and the representatives of the local organization. The Fish and Wildlife Service will keep in mind at all times the objectives of the local organization in the development of a watershed project.

7. The recommendations developed by these studies will be given full consideration by the Soil Conservation Service and will be presented for the consideration of the local organization in developing the watershed work plan.

8. This memorandum of understanding will be implemented by periodic agreement for transfer of funds and arrangements for specific work.

GLADWIN YOUNG,
Acting Administrator, Soil Conservation Service.

MAY 12, 1955.

JOHN L. FARLEY,
Director, Fish and Wildlife Service.

MAY 24, 1955.

MR. BRANDBOG. The procedure agreed to by the Administrators of the Soil Conservation Service and Fish and Wildlife Service are substantially the same as those provided for in the so-called Coordination Act of August 14, 1946 (Public Law 732, 70th Cong.).

The Coordination Act is, from the standpoint of the many millions of hunters and fishermen and other people interested in wildlife conservation, a very important law. It provides that before Federal impoundments or water-diversion projects are finally authorized or construction commences, the Fish and Wildlife Service with the help of the State game and fish department shall take a good look at the probable effects on fish and wildlife resources.

It further authorizes the fish and wildlife agencies to prepare reports on those effects and to make recommendations for mitigation of losses, if any. Through the exercise of the Coordination Act, potentially severe fish and wildlife losses have been prevented in many

instances. In other instances, opportunities have been disclosed wherein new habitat was developed.

The Coordination Act presently applies to all projects constructed by the Bureau of Reclamation or the Corps of Engineers. It also applies to projects for which the Federal Power Commission issues permits. It would not apply to works under Public Law 566 because the watershed projects would be constructed by local agencies and not by the Federal Government.

I would like to recommend that development projects under this small watershed law be brought under the Coordination Act by adding the following amendment to the bill under consideration today:

The planning and construction of projects undertaken pursuant to this act shall be subject to all procedural requirements and other provisions of the act of August 14, 1946 (60 Stat. 1080).

This would make permanent the present working agreement between the Soil Conservation Service and the Fish and Wildlife Service. We know the Congress and all agencies and parties involved do not wish to overlook an opportunity to protect the wildlife resources. This amendment would be a simple guaranty against such oversight.

The long-term provisions of H. R. 8750 favor greater participation by local sponsoring groups and accordingly would permit a wider and more general application of the land-use benefits of the law. It also appears that Hawaii, Alaska, Puerto Rico, and the Virgin Islands should be allowed to participate in the programs carried out under this law.

I wish to thank you for the privilege of appearing here today.

Senator KERR. Thank you very much, Mr. Brandborg.

Are there questions?

(No response.)

Senator KERR. That completes the scheduled list of witnesses. I see that the name of C. R. Gutermuth has been added. How much of a statement, Mr. Gutermuth, do you have?

Mr. GUTERMUTH. My whole statement I think could be given in about 3 minutes.

Senator KERR. Very good. We will hear you, and I want to ask Mr. Allen some questions afterward.

STATEMENT OF C. R. GUTERMUTH, VICE PRESIDENT, WILDLIFE MANAGEMENT INSTITUTE

Mr. GUTERMUTH. I might add, Mr. Chairman, and I had written to the chairman of the full committee, perhaps in error, indicating that I wanted to appear, and perhaps the letter did not reach the chairman of the subcommittee.

My name is C. R. Gutermuth. I am vice president of the Wildlife Management Institute, a national nonprofit membership organization dedicated to the improved management and proper utilization of all renewable natural resources in the public interest.

In addition, I am a member of the 5-man committee that was charged with the responsibility of staging the National Watershed Congress that was held here in Washington the past 2 years, and which brought together in each of those 2 conferences more than 300 farmers and ranchers and members of local soil-conservation dis-

tricts from all parts of the country for a 2-day discussion of the implementation of the Watershed Protection and Flood Prevention Act, Public Law 566.

At the last Watershed Congress on December 5 and 6, which was a grassroots meeting, those who are intimately involved in carrying out the practices and programs authorized under this small watershed act brought out in their discussions certain weaknesses in the new law that are preventing its full application. We, therefore, feel that the known shortcomings should be remedied immediately.

While we think that the Poage bill, H. R. 8750, should be enacted by the Senate without delay, the Institute still feels that the 5,000-acre-foot limitation in Public Law 566 should be removed completely.

During the hearing in the House, we asked for that one additional amendment to H. R. 8750, and if that limitation is not removed, then it means just this: All of those local projects will be built and thereafter controlled by the Federal Government. Even so, the Poage bill would broaden the present law sufficiently to remove most of the public criticism, and would permit the full watershed treatment that was envisioned by the sponsors and supporters of the original proposal. All of these amendments really are needed, Mr. Chairman, to attain more complete absorption of rainfall by the land, and to help prevent disastrous flash runoffs that destroy soil fertility, real property, and human life.

If those obstacles are not removed, they will keep the local groups across the Nation from getting started with their work. On January 1, 1956, there were 2,647 soil-conservation districts in operation. Their programs embrace about 982,671,000 acres of land in farms and ranches and more than 4,841,000 farms. This means that about 90 percent of the farms and 85 percent of the total land in farms are in districts.

Those are impressive figures, Mr. Chairman, and most of the people in those districts contend that this one other handicap should be removed. The Poage bill, so we understand, does not remove the 5,000-acre-foot limitation completely, and the committee is urged to give further consideration to that part of the Clements (Barkley) bill, S. 3023. There are many projects, either proposed or in partial stages of development throughout the country, where this limitation is a distinct roadblock in the carrying out of the full intent of the law.

As an example, there are municipalities that could provide additional flood-control protection in their municipal water supply reservoirs if there were no limitation on the size of the authorized impoundments.

Senator KERR. Now, as I understand the Poage bill, it places no limitation upon the reservoir above the 5,000 acre-feet for other purposes than strictly flood control, does it?

Mr. GUTERMUTH. That is right. As I understand the bill, it places no actual limitation. They can go ahead and build them, provided, of course——

Senator KERR. Then the example you use where municipalities can provide additional flood-control protection in their municipal water supply reservoirs—they can do that under the Poage bill, can they not?

Mr. GUTERMUTH. They can do that under the Poage bill provided they pay the cost. The point or the position that we take is this, Mr. Chairman——

Senator KERR. All right, proceed.

Mr. GUTERMUTH. With the tremendous amount of flood prevention and flood-control activities that are done under direct Federal sponsorship in this country, we simply cannot understand why, when in these small projects additional flood prevention could be provided—

Senator KERR. How much additional storage can you provide before it is no longer one of these small projects?

Mr. GUTERMUTH. It was brought out, if I am not mistaken, in the House hearings that if this limitation of 5,000 acre-feet was raised, for example, to something like 30,000 acre-feet it then would permit under that ceiling or maximum all of the local development in which we are concerned. And it still would not interfere in any sense of the word with what we call the dam-building activities of the Army engineers or the Bureau of Reclamation.

Senator KERR. All right. You may proceed with your statement.

Mr. GUTERMUTH. Then, there are other cases where an increase in the authorized size of the impoundments would permit the storage of more water than could be used to help maintain more uniform stream flows during summer months. Such features would have multiple benefits, and would be of inestimable value to sport fisheries and to other forms of outdoor recreation on streams below impoundments.

That 5,000-acre-foot limitation obviously was written into Public Law 566 to satisfy the Corps of Engineers which does not want any other agency to encroach upon its dam-building prerogatives. As has been stated time and again: "If it were not for the fact that this restriction is so detrimental to the small watershed program, it would be amusing to see the corps worrying about such tiny structures." The Army has not built more than 5 or 6 of those little dams in a half-century of civil functions. Millions of people across the country have a personal stake in the small-watershed program, and it is difficult to understand why all of those local projects must be built, operated, and managed by the Federal Government.

There was a lot of discussion in the House hearing on the need for having the Federal Government pay the cost of flood-control structures. Some of that testimony was interesting indeed. There is one inexorable fact, however; the members of the local districts that are above the impoundments cannot see where they get any protection or benefits from flood-control works that are below them in a watershed, and it will not be easy to get them to pick up the check on those essential parts of local projects.

We urge the committee to report a bill that will provide the urgently needed amendments to the Watershed Protection and Flood Prevention Act, and in so doing, we respectfully request that you give further consideration to the removing of that 5,000-acre-foot limitation.

We wish to compliment the chairman in his quickness in detecting the inconsistency from prevailing practices in the suggestion that was made here this morning that these particular local groups which are striving to get good land management practices in operation on the land should be charged with the cost of developments that may enhance their property value. Certainly that is not being done in the case of highways and navigation, flood prevention, and many other Federal works. We do not think that this is the time to start.

Certainly we are in favor of the idea, if the time ever comes when such a thing can be applied uniformly across the country. If it applied to all of the people, that might be something else.

A couple of other things that I would like to comment on if I may, Mr. Chairman. The Army this morning objected to the removal of that terminal date of July 1, 1956. Now, it was brought out this morning that they do not at this time know of any projects that would be blocked by leaving this date in the law. But I submit that there may be some project that we have overlooked, and I certainly would hate to see this one little safeguard removed. If we should in the future run into cases where this date is going to be a hindrance, then certainly I think it would be a mistake to have it held up because the date had expired.

I noticed one other thing in the statement by General Itschner this morning. He brought out the fact that he thought the local group should be required to employ professional engineers. Now, it is my understanding that all of the engineering work by these local groups and in these local projects has been done as one of the technical services that is provided by the Soil Conservation Service, so certainly they are getting engineering assistance.

Now, we never have questioned the efficiency and competency of the engineering activities of the Army engineers, and I am somewhat disappointed to see in this statement by the Army any inference or question raised that the engineering services that have been provided in this local work, and that are contemplated herein are inefficient.

The other comment that I wanted to make was with regard to the Army engineers' statement wherein the corps objects to the fact that H. R. 8750 would remove the committee and congressional approval on projects of less than \$250,000. Now, it is my understanding, and I believe it was brought out here this morning that the corps has been before Congress and got its limitation raised to \$250,000 on its projects—

Senator KERR. I think in justice to the Engineers I should call the witness' attention to the fact and put it in the record that that increase was not brought about on the initiative of the Engineers.

Mr. GUTERMUTH. Well, that may be. These are not charges, Mr. Chairman, against the Army engineers.

Senator KERR. I understand.

Mr. GUTERMUTH. Not in any sense of the word.

Senator KERR. But I felt the record should reflect that.

Mr. GUTERMUTH. My thought is simply this: That if Congress in its wisdom has seen fit to say to the Army engineers, "Yes, you can go ahead on projects of less than \$250,000," then certainly very careful consideration should be given to the request that these small projects be taken out from under any of the so-called delaying provisions that were written into Public Law 566 originally. Certainly those things have in some ways slowed down the starting of this work, and we would like to get those local projects expedited.

Senator KERR. Thank you very much, Mr. Gutermuth, for a very excellent statement.

I understand Mr. Rittenoure has an observation he would like to make.

FURTHER STATEMENT OF LAWRENCE RITTENOURS, NATIONAL ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. RITTENOURS. Mr. Chairman and gentlemen, I made mention of a practical instance of a small watershed in our own county of Sedgwick, Kans., the Anndale district, of 16,000 acres, which is in the process of being formed, and their application will be coming in here in due time.

I wonder if this committee realizes the work that is done right there on the ground? I am referring to the Soil Conservation Service party. I am referring to the fact that our State conservationist has an assistant who is in charge of all the watershed work to be done in the State of Kansas, and this is typical, of course, of each State.

Now, in the case of the Anndale district, in the process of organization and in the process of making its applications here to the Secretary of Agriculture, we have a visit from this kind of a group:

The assistant State conservationist is the head of the watershed party. Accompanying him are an economist, a hydrologist, a geologist, a planning engineer. Then fish and wildlife are represented by one or more. And the forestry department is represented.

These men, together with our local technicians, or work unit conservationists as we commonly speak of them, go over the ground when they decide whether or not that application should be forwarded on to Washington.

Now, I submit, gentlemen, that here is a transaction involving not so very much money, and that portion of it which will be paid by the local landowners, which will be a very substantial portion of the total, is very precious to them. They are going to see to it that their dollars combined with the dollars of Uncle Sam are well spent.

I submit, gentlemen, that it is rather ridiculous that this application should have to go before the Army engineers after it passes through all the technicians here, and then, of course, after that, the Bureau of the Budget. As a taxpayer, I contend that it is a waste of our taxpayers' money.

Here is ample technical and engineering ability to handle it without help from the Army engineers, and I think they have their hands full. I think they have a big job to do all the things that are ahead of them for this country. We contend in the National Association of Soil Conservation Districts that we have our hands full. We do not want to mess with them; we do not want them messing up our end of it and delaying us.

Senator HRUSKA. Mr. Rittenours, is it your understanding that the Army engineers redo the work, recompute it, send out their own field party?

Mr. RITTENOURS. They check it very carefully.

Senator HRUSKA. Do they check the same things which the original party which worked on this project did?

Mr. RITTENOURS. As I understand it, they have complained that the reason that they have been holding up these first applications, Mr. Senator, is due to their claim that not enough technical information has been submitted to them for them to pass judgment. I contend that we do not need their judgment.

Senator HRUSKA. Well, I am asking now whether their judgment is upon the economic justification and upon the engineering and upon the other aspects of the project as contrasted with the effect of that project upon works of their own which might be located further downstream. In other words, is it something by way of pure duplication of work already done?

Mr. RITTENOURE. I consider it, yes, this will be.

Senator HRUSKA. Or is it for the purpose of determining the effect upon other aspects which are not considered by the individual work party?

Mr. RITTENOURE. The effect can only be beneficial of this particular watershed.

Senator HRUSKA. To the area which it covers, but as testified by General Itschner this morning sometimes the construction of that project together with many other similar projects does make an impact upon the larger structures further downstream.

Now, my question is: Are they not more particularly concerned with that phase of it rather than the minutia which you referred to a little bit ago?

Mr. RITTENOURE. I believe they are concerning themselves with the minutia.

Senator HRUSKA. If they are, I would see some merit to your position.

Mr. RITTENOURE. Yes, sir.

Senator HRUSKA. I would like to explore that further with others, because I do not think duplication lies, but I would not want to foreclose them for a minute from other aspects of engineering problems which arise thereby and which cannot of necessity be covered by the work party to which you referred.

Mr. RITTENOURE. I agree with that. However, I would point out in every case I believe watershed work will slow down the runoff, it will even out the streamflow, and in no case can I conceive—

Senator HRUSKA. Well, Mr. Rittenoure, personally I am not an engineer, but I would not want to invade the other guy's field and say, "You should not be bothered with this, because I think you're all right." Don't you see? I think he ought to be given his due, just like the work party to which you refer should be.

Mr. RITTENOURE. I believe it was a wise man who said centuries ago, "Men stumble not over mountains but over molehills." These small watersheds are molehills, and we of the national association feel that the Army engineers should not be stumbling over them. Neither do we want to impair their useful work.

Senator HRUSKA. Mr. Rittenoure, it is very evident you are familiar with the mechanics of these things, and I therefore do ask you this question: Now, the soil-conservation engineers and other technical men, are they concerned with the actual building of any of these structures? Do they supervise the actual construction?

Mr. RITTENOURE. Oh, yes. They certainly will. We will depend upon them in our watershed districts in our State and all over the United States. We will depend on them to supervise the construction.

Senator HRUSKA. So that as the contract proceeds and as the construction proceeds—

Mr. RITTENOURE. Right.

Senator HRUSKA. They have men there who see that the necessary—

Mr. RITTENOUR. Right.

Senator HRUSKA. Outlines are followed, the degree of compaction, for example, in the dams, and the installation of all fixtures? They are there for that purpose?

Mr. RITTENOUR. Right. Now, 2 years ago this month I came back here to Washington with the superintendent of schools of a school district suburban to the city of Wichita. They happened to be in what is termed a critical area due to military construction work there. And so they were entitled to financial assistance. It wasn't more than a comparatively simple matter to obtain the grant of \$128,000 to which they were entitled under the law.

Now, then, in the expenditure of that \$128,000, the district together with their own \$225,000 did that by letting the contract, employing their own engineer, but all the time the Government's investment of \$128,000 was protected by representatives of the Federal Housing Administration, or, rather, the Department of Education. And a subsequent grant of another \$95,000 was expended this same way.

But the whole procedure was so much simpler, gentlemen, than it is for use in a case of a watershed district. That is the point I wish to make.

Now, that application for funds for that school district did not go through Army engineers or the Housing Administrator or a lot of other agencies. It was not necessary.

Senator HRUSKA. It went through the Department of Health, Education, and Welfare, did it not?

Mr. RITTENOUR. Yes; and that was a comparatively simple procedure. And I think this should be reduced to the same thing.

I believe Mr. Allen, however, has already pointed out to you that the fears of the gentleman from the Rio Grande Valley are based on misinformation. Instead of the watershed work holding back water from his big reservoir, it is going to put clean water there. Instead of water laden with topsoil that is going to ruin his reservoir in time, he will have clean water if all the watersheds above were to receive this treatment. If Mr. Parish doubts that, then he should go upstream on the Rio Grande to the Elephant Butte Reservoir. Then he should go upstream still further to the city of Albuquerque and see the stream bed which by reason of siltation now is at an elevation greater than the dikes that used to go along the sides of the stream. Then he can come on up into Colorado and look at the John Martin Reservoir on the Big Arkansas. He will see a tremendous amount of siltation that has occurred in 15 years' time—only 15 years.

So if Mr. Parish wants a reservoir on the Rio Grande that is going to have a useful life of 500 years or 1,000 years, if you please, he should be asking for H. R. 8750 and all the watershed work he can get instead of raising objections to it. His testimony is based on a lack of information, gentlemen.

And the same way with the reservoir under construction now on the Blue River in Kansas. That flows out of this gentleman's State of Nebraska. There are 6 million acres in the watershed. The Agricultural Research Service has shown this, gentlemen, by a careful 5-year study of the flow of the Blue River in Kansas—and their study

was made at a point just upstream from where this Tuttle Creek Reservoir is under construction—their study, gentlemen, showed that when the streamflow of the Blue River is 2,000 acre-feet a day the sediment load is 2,000 tons a day. But when the streamflow was up 10 times to 20,000 acre-feet a day, the sediment load was upped 100 times to 200,000 tons a day. That means that unless the 6 million acres of the Blue River in Kansas and Nebraska receive full watershed and soil conservation treatment that that 200,000 tons per day of sediment load are going in to fill in that \$100 million reservoir.

Senator KERR. And denude a lot of upstream areas in Kansas and Nebraska of their soil?

Mr. RITTENOUR. Right. Right. Which they cannot spare.

Senator HRUSKA. Of course, Mr. Rittenoure, I appreciate what you say about sediment and that sort of thing, but out in Texas I understood the complaint was with reference to those retention reservoirs which have no outlet and which simply impound the water and allow it to evaporate, and that it is the sum total of all of those things which results in the reduction of flow of water at a given point in the stream even though the rainfall in that area is the same now as it was 20 years ago. Where there are outlets and where there is a retention and a regulation of flow that is one thing.

Mr. RITTENOUR. That is the only kind that we are doing.

Senator HRUSKA. Well, those are not the ones to which he is referring. He referred in his statement, as I remember it, to those instances where the reservoirs are for detention purposes only and which have no outlet at all, and they impound to the full capacity of which they are capable, and the water just stays put and evaporates.

Mr. RITTENOUR. I do not believe they were ever constructed under Public Law 566.

Senator HRUSKA. He does not say that they were.

Senator KERR. There has not been any constructed under 566.

Mr. RITTENOUR. No.

Senator HRUSKA. What he wants to do is anticipate the damage which will flow from construction of such structures under Public Law 566, don't you see, and that is a different situation than the one to which you refer.

Mr. RITTENOUR. There again his fears are baseless, because I do not think anything of the kind has ever been contemplated by the Soil Conservation Service. I am satisfied that it has not.

Senator HRUSKA. Well, perhaps not, but he has a case here as far as I am concerned—on the basis of the figures which he has given. Now, maybe he does not understand your situation and he is talking about a different set of facts than those which you contemplate. But I would not want to discount his statement too lightly.

Mr. RITTENOUR. I would point this out: That even with evaporation still he will probably get more downstream flow than if those reservoirs were not in existence. After all, our whole watershed program is simply slowing down the runoff. And what has been done in the watershed of the Sandstone Creek of Oklahoma so successfully, as Mr. Allen pointed out, is simply to try to do what nature was doing for us when the Indian and the buffalo were still inhabiting this country. And that is really what our objective is.

As Charles Kettering has said, science is merely trying to find out how nature does things. And that is really our objective in this case:

Slow down the runoff of water, and you'll wind up with streams evened out in flow, and, as you have there on the Sandstone Creek, in 3 years of record drought, with only 60 percent of rainfall, they have avoided flood damage, they have evened out the streamflow, they have a return of fishing and wildlife because there is water and cover available to them 365 days of the year. The bottomland which was flooded once to three times every year is now back into production again because it is protected.

And so really, gentlemen, the Army engineers instead of bothering with these multitude of little watersheds ought to be here urging the passage of H. R. 8750 and should be saying, "More power to you gentlemen. We need it for the long life of these reservoirs."

Senator KERR. Thank you very much.

I would like to ask Mr. Allen about three questions.

If H. R. 8750 is passed, can you explain to the committee how a local project that would have 5,000 acre-feet for flood control and 20,000 acre-feet for municipal water supply would be built? That is, who would plan the engineering on it? Who would let the contract on it? And whose money would pay for it? And how would that money be obtained?

FURTHER STATEMENT OF HARRAL ALLEN, OKLAHOMA ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. ALLEN. Senator, as I understand it, the 5,000 acre-foot flood storage would be paid for by the Federal Government.

Senator KERR. Yes; but would not the reservoir be built so as to hold 25,000 acre-feet?

Mr. ALLEN. Yes, sir.

Senator KERR. You would not build two—

Mr. ALLEN. No, no. You build one structure, which has a capacity of 25,000 acre-feet behind it.

Senator KERR. Yes.

Mr. ALLEN. Of that cost, the 5,000 acre-foot limitation—or I mean the 5,000 acre-feet for flood prevention storage—would be paid for by the Federal Government. The rest of it would be paid for by the local people.

Senator KERR. Now, as I understood the bill, the Federal Government was going to pay for all of it and get reimbursement from the local people for 20,000 acre-feet of municipal water impounded.

Mr. ALLEN. That thought does not occur to me as having been in the original bill. It has been injected in the thinking today, and I think it is good.

Senator KERR. Under the bill, would it be paid for by borrowed money obtained under the provision of the bill authorizing loans?

Mr. ALLEN. It could be paid for by cash if they had it.

Senator KERR. I understand, but could it be paid for by loan?

Mr. ALLEN. It could be paid for by borrowing the money from the Federal Government. It could be paid for by their own bond issues, if they wished, and supplying the cash.

Senator KERR. Yes. Well, now, who would let that contract? Would the local conservation district or the water conservancy district, or would the municipality that is going to own that storage capacity? Who would let that contract?

Mr. ALLEN. I can speak only to what I think the law would provide in Oklahoma. The conservancy district is empowered to deal with the Secretary of Agriculture. Under Oklahoma law, and I believe you will also find that under Oklahoma law the municipality is also empowered to deal with the Federal Government and probably in a case where you had a municipal storage behind the dam the conservancy district would cooperate with the city in taking care of their particular end of it. The city would do their part, and it would be a cooperative effort between the two agencies.

As I understand, the city of Duncan is carrying on a project of that sort on the Washita River. And we have with us I believe Mr. Carl Brown. Might I ask Carl to help answer that question?

Senator KERR. Yes. I would like to get it in the record, not only because of the possibility that it would provide me information that I do not have but also on account of the fact that there might be others that would be curious about it.

Will you give your name?

Mr. BROWN. I am Carl Brown, Director of the Planning Division of the Soil Conservation Service.

Mr. ALLEN. Will you use the example of the city of Duncan to answer the Senator's question?

Mr. BROWN. We have a case as a part of the Washita flood prevention project—

Senator KERR. Is that under Public Law 566?

Mr. BROWN. No, that is one of the original 11 projects.

Senator KERR. That is what I thought.

Mr. BROWN. Yes, sir.

Senator KERR. Who lets that contract?

Mr. BROWN. Well, that contract, as I will explain, is being let by the city of Duncan, and this is the first case where we have had a situation in which municipal water supply is the dominant purpose of a reservoir. And in this instance the reservoir will be approximately 16,000 acre-feet in capacity, of which the flood-prevention storage will be less than 5,000 acre-feet.

Senator KERR. And be paid for by the Federal Government?

Mr. BROWN. The flood prevention part of it will be paid for by the Federal Government. The municipal storage will be paid for entirely by the municipality.

Senator KERR. Will it be built by a single contractor as a result of bid on the total project?

Mr. BROWN. Yes, sir; on the total project. The contract will be let by the city of Duncan, and the Federal Government will make available to the city its share of the total cost based on the allocation to flood control.

Senator KERR. Now, who will operate that project?

Mr. BROWN. The city of Duncan.

Senator KERR. Let us suppose this bill were amended to where the city of Duncan would have access to a program under which the Federal Government paid the flood-control part of the cost as it is in the project you refer to and advanced the money to the city of Duncan to pay for the portion of the project that is allocated to impoundment of water for the municipality.

Mr. BROWN. Yes, sir.

Senator KERR. Do you envision the same procedure with reference to the letting of the contract as is the case under the present law applicable to that project?

Mr. BROWN. We do, Senator. We envision that under the provisions of H. R. 8750 that is exactly how it would operate: That the city in that case would let the contract. The Federal Government would put up the share of the cost which is allocable to flood control.

Senator KERR. Well, now, let's say that it was a project where there were 5,000 acre-feet of the project for flood control and 10,000 acre-feet for irrigation and 10,000 acre-feet for municipal water supply.

Mr. BROWN. Well, sir, the contract would still have to be let by a local organization, and in such a case as that it would be a matter of coming to agreement——

Senator KERR. Between them?

Mr. BROWN (continuing). Between the conservancy district and the municipality in Oklahoma as to which one was going to let the contract.

Senator KERR. And the irrigation district?

Mr. BROWN. That is right; yes, sir. They would decide among themselves as to which one would be the contracting agent. But in no event would it be the Government.

Senator KERR. Very good.

Mr. BROWN. And I might also add to that, Senator, with reference to the engineering on this project—and we would contemplate it would be the same under 566—that wherever there is a municipal water supply involved we would require the municipality to employ consulting engineers to design that part of the project for municipal water supply and to work with our engineers in the overall design.

Senator KERR. With the engineers of the Soil Conservation Division?

Mr. BROWN. Yes, sir; and in carrying out the actual construction we would have our representative, our inspector, you might say, on the construction job. We would expect the municipality or the conservancy district to have their inspector on the job so both the Government's interest and their interest were protected in assuring that the construction was in accordance with the specifications.

Senator KERR. All right. Thank you very much.

Now, another question, Mr. Allen. I take it that it would be the desire of those supporting H. R. 8750 that if it is enacted and if under the terms of the enacted bill the Federal Government pays the construction costs of the flood-control element of the project, you would want that provision to apply to the projects now pending, either authorized or unauthorized, under 566?

Mr. ALLEN. Yes, sir; Senator, that has bothered me for some time, because I could see the need for changes. Take for example Big Wewoka Creek and Little Wewoka Creek in Oklahoma. I had asked some of the boys up there about it. I asked some of the people with SCS as to what would be the status of this if we got some changes in 566. They point out to me there is a clause in the plan which is an agreement between SCS and the local people which permits them to take advantage of any change that might take place. In other words, a renegotiation contract is present. And I envision that that will be invoked if the law is changed in the case of those that are planned and are——

Senator KERR. Do you think if this bill is passed with that provision available for future projects that it certainly should be made so as to include and apply to those projects for which applications are pending or which may have been authorized under 566?

Mr. ALLEN. Very definitely, sir.

Senator KERR. I believe that is all.

Senator HRUSKA. I think there might be a little reservation on the part of some of the legislators here on the Hill as to whether a statute would be superseded by an agreement or a working arrangement of that kind, but I don't suppose we had better cross that bridge till we come to it.

Senator KERR. I would like to place in the record a statement by Congressman Rutherford of Texas.

(The prepared statement of Congressman Rutherford follows:)

STATEMENT OF HON. J. T. RUTHERFORD, 16TH DISTRICT OF TEXAS

I appreciate the opportunity to submit this statement to the Senate Public Works Subcommittee in which I shall suggest certain amendments to Public Law 566, the Small Projects Watershed Act.

It is my firm belief that the 45-day waiting period now provided in Public Law 566 should be waived. As you know, when any project under consideration under provision of this law has been approved by the proper agencies and is sent to the Congress, the measure must wait before the Congress for 45 days before it may be considered as automatically approved, thereby giving the agencies involved authority to begin construction. This is true no matter the size of the project.

In the event the project should call for construction of any facilities impounding more than 25 acre-feet of water, official congressional action must be taken on the project, but the 45-day waiting period is still required. The 45-day waiting period often leads to what appears to me to be unnecessary delays. As a case in point is a proposed project within my own district—the Johnson-Draw Watershed program in Crockett County, Tex. This matter has been reported favorably through all agencies up to the Bureau of the Budget where it is undergoing study and reevaluation at this time.

Even should the Bureau of the Budget approve this today and send it forward to the Congress, since we are so late in the session it is highly unlikely the project could receive congressional approval prior to adjournment. This means that at the outset of the next Congress the project must again be submitted to await its 45-day period as provided by law. The net result is that several months of organizational work and perhaps actual construction, will be lost.

In this particular case the people of Crockett County, Tex., have voted some \$200,000 as their initial payment of local participation. They voted this money by an overwhelming majority of 389 to 12, and I am certain they were motivated by the flash flood they had in the summer of 1954 which took 17 lives and caused millions of dollars worth of damages in that county. There is always the dreadful possibility that such flood will reoccur, and I am sure it would not set well upon the conscience of the members of this body should such recurrence be so timed that the 45-day waiting period could be cited as the cause for such a tragedy.

I respectfully suggest to this subcommittee that an amendment be added to Public Law 566 providing that the House and Senate committees concerned may by resolution at any given time waive the 45-day waiting period at their discretion, upon any given project when such project has been submitted to the committees after having been approved by the agencies involved. The following is submitted as suggested wording:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of the third proviso of section 5 of the Watershed Protection and Flood Prevention Act requiring plans for works of improvement transmitted to Congress through the President under said act to remain before the Congress at least 45 days during any regular or special sessions thereof, before the Secretary of Agriculture is author-

ized, to participate in the installation of such works of improvement under said act, be so amended so as to allow the Congress, through the President, to waive the 45-day waiting period at the pleasure of the appropriate committees in any given case."

I might add that members of the Soil Conservation Service of the Department of Agriculture, have given me indication of their approval of such an amendment; members of such watershed groups in my district have expressed an interest in such an amendment; I have found some sympathy for this cause among my colleagues in Congress; and I personally urge a favorable consideration of this amendment.

Senator KERR. Thank you very much, gentlemen, for your indulgence here and the great contribution you have made to this matter.
(The following matter was received for the record:)

STATEMENT OF HON. JOHN C. WATTS, REPRESENTATIVE OF THE SIXTH CONGRESSIONAL DISTRICT OF KENTUCKY

Mr. Chairman and members of the subcommittee, I regret that official business in my congressional district precludes my personally appearing before you in behalf of the proposals which you have under consideration. I am most appreciative of the courtesy that you have afforded me in permitting me to submit this statement for the record.

I am satisfied that because of the extraordinary consideration that each of you has given to the growing danger signs that have arisen with respect to our water supply that each of you is familiar with the urgency surrounding the commencement of a practical and workable program of water conservation, control, and utilization. And, further, that you are saturated with authoritative information dealing with costs, operational programs, agency jurisdictional questions, and other technical phases of the subject matter. Because of this, I will not belabor you with a presentation concerning itself with such details.

Certainly, it is quite evident that we are becoming water conscious—and it is not a moment too early. It is necessary that we effectuate a program of operation under which the Federal Government will render substantial assistance to areas where efficient and practical watershed projects can be located. That the present Small Watershed Act is deficient in its coverage one need to go no further than to scan the accomplishments made thereunder. Whether or not this is because of lack of interest on the part of the Secretary of Agriculture, or the administration in the program, is of little consequence, as the fact will remain that little or nothing has been accomplished toward achieving the purpose and objective of the Congress contemplated under the Small Watershed Act.

In the State of Kentucky alone we have some 138 applications pending for, what we consider, eligible projects. Under the administration's budget requests only \$16 million would have been made available—sufficient funds for approximately 75 projects—an infinitesimal effort when one contemplates the overall program.

Certainly, this makes it clear that affirmative, directive action by the Congress is necessary.

H. R. 8750, which has passed the House of Representatives, and which is one of the bills you have before you is a step in the right direction. With the broadening of its scope, bringing within its purview many projects that heretofore could not be considered; the liberalizing of the assistance and participation limitations under which the Federal Government can join, and the lending features provided for local financing, it is my notion that substantial progress can be made toward getting a real program underway.

Of course, H. R. 8750 is not perfection. Certain amendments, might be practicable and advisable. However, because of the time element and the imminence of adjournment, and the fact that H. R. 8750 has passed the House, the Senate may not be desirous of considering amendments at this time. In such event, H. R. 8750 should certainly be passed. As time passes and experience is gained, we can then, very properly, adopt necessary and perfecting amendments.

Whatever the committee's notion may be, I earnestly urge the need for amendments to existing law and I sincerely trust that some positive action along this line might be insured during this Congress.

CHAMBER OF COMMERCE OF THE UNITED STATES,¹*Washington 6, D. C., July 3, 1956.*

HON. ROBERT S. KERR,

*Chairman, Subcommittee on Flood Control and Rivers and Harbors,
Senate Public Works Committee,
Senate Office Building, Washington 25, D. C.*

DEAR SENATOR KERR: The Chamber of Commerce of the United States, having endorsed bills which led to the enactment of the Watershed Protection and Flood Control Act of 1954, believes that law is working out substantially as anticipated and that major revisions are not necessary at this time.

We are convinced that in the near future more and more local organizations will be formed under State sponsorship to make the terms of the act applicable to pressing problems of local water supply, soil conservation, and flood reductions.

The chamber therefore particularly opposes the following amendments to the Watershed Protection and Flood Prevention Act proposed by H. R. 8750:

(1) Section (b) of H. R. 8750 which would amend section 4 of the act by substituting in paragraph (2) the wording: "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention."

The effect of this change would be to abandon the presently established policy of Federal-State cooperation and local cost sharing. The national chamber believes the Federal Government should not pay all costs of flood prevention. The costs of direct benefits such as would accrue from local flood prevention projects under this act, should be borne by the area benefited, and only those benefits which accrue to the Nation as a whole should be assessed to the taxpayer. The Department of Agriculture, which administers the act, also opposes this change.

(2) Section (c), paragraph (1) of H. R. 8750 which would extend the time during which the Secretary of Agriculture may construct works of improvement in the absence of a sponsoring organization authorized under State law.

The Federal Government should aid the State and local governments in the conservation and control of water, but should not build such projects itself unless the whole Nation stands to benefit. There appears to be only minor, if any, national benefit from local works of improvement of the type and size permitted under the Watershed Act.

I would appreciate it if you would make this letter a part of the record of the hearings on H. R. 8750.

Cordially yours,

CLARENCE R. MILES.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington 25, D. C., July 10, 1956.

HON. ROBERT S. KERR,

*United States Senate,
Washington, D. C.*

DEAR SENATOR KERR: During the course of the hearings on H. R. 8750 before the Public Works Committee of the Senate, which you conducted on July 3, 1956, several witnesses indicated a lack of understanding regarding the flood control program and the position of the Corps of Engineers with respect to watershed protection under Public Law 566.

In order to insure that there is no misunderstanding on the part of the committee, I am submitting herewith, as an extension of my testimony, a memorandum in clarification of certain points on which statements were made.

I hope that this information will assist you and the committee in dealing with the issues and problems raised by consideration of H. R. 8750.

Sincerely yours,

E. C. ITSCHNER,
Major General, USA,
Assistant Chief of Engineers for Civil Works.

CLARIFICATION OF STATEMENTS REGARDING THE PROJECTS AND POSITION OF THE CORPS OF ENGINEERS

1. Mr. Lawrence Rittenoure, representing the National Association of Soil Conservation Districts made the following statement when discussing cost shar-

ing, with respect to flood control projects under the jurisdiction of the Corps of Engineers:

"The local contributions to approximately \$3 billion of Federal flood control projects built by the Corps of Engineers have been less than 6 percent."

This low percentage of local cooperation in the Federal flood control program was apparently arrived at by applying the local cooperation required by law for local flood protection projects to the entire program, or a large part of it, which includes reservoirs for flood control and multiple-uses for which direct local cooperation is not required by law. Since this statement gives a misleading picture of the Federal versus non-Federal sharing in the cost of this program, the following facts are given:

(a) For local flood protection projects the law requires that local interests provide lands, easements, and rights-of-way including certain relocations, and agree to hold and save the United States free from damage. In addition, local interests are required under present administrative instructions of the BOB to make an additional contribution for land enhancement benefits equal to half of that part of the first cost proportionate to such benefits. Recent local flood protection projects approved by the Board of Engineers for Rivers and Harbors, during the period May 1954 to April 1956, have a local share equal to 23 percent of the first cost, including lands and rights-of-way. Local flood protection projects in the fiscal year 1957 budget involve a local cost of 20.5 percent of the total first cost. The small dams of the SCS are more nearly akin in their effect to local flood protection works, except that they generally benefit small areas and a few readily identifiable beneficiaries—perhaps a small number of farms. The local flood protection works under the Corps protect larger communities and more extensive agricultural areas.

(b) For reservoir projects the law requires that the Federal Government bear the entire cost because the benefits of large reservoirs are generally widespread and extend over long reaches of river. It is very difficult to identify beneficiaries. Most of these reservoirs, however, and all of the larger ones, are multiple-use structures which involve water uses other than flood control. And users of water or power are required to repay the costs allocated to those purposes. For example, the total estimated cost of all multiple use reservoirs now in operation or under construction is \$3.4 billion. Of this cost, about \$2.35 billion is allocated to power. Thus 69 percent of the first cost will be repaid to the Federal Treasury by revenues from power.

2. Mr. Rittenoure also said:

"The position of the Corps of Engineers, insofar as we can understand it, is that all reservoirs larger than 5,000 acre-feet should be constructed by a Federal agency on lands bought and paid for by the Federal Government and that such reservoirs should thereafter be operated and maintained by the Federal Government."

* * * * *

"We believe this is a clear-cut case of States rights versus Federal domination."

The statements and action of the Corps of Engineers do not support this conclusion. As a matter of fact, the Chief of Engineers has contended from the start that Public Law 566 projects should be local undertakings. In testifying on the bill which later became Public Law 566, General Sturgis took the position that engineering works of the type and size contemplated should not be constructed by the Federal Government, but by the local organizations with the Federal Government providing a grant to help cover the cost of flood control. In General Itschner's statement to the Senate Public Works Committee on July 3, he proposed that H. R. 8750 be so amended that local organizations would employ their own engineers and assume responsibility for engineering design, preparation of specifications, and supervision of construction. He also suggested that the Federal Government reimburse the local organization for the cost of necessary engineering services. That suggestion was not limited to reservoirs of less than 5,000 acre-foot capacity. It will be clear from this that the position of the Corps of Engineers is precisely the opposite of what Mr. Rittenoure interprets it to be. The Corps of Engineers believes that Public Law 566 projects should be local undertakings. They should not be called local projects, however, so long as a Federal agency designs the structures, writes the specifications, supervises construction, and, in fact, performs every necessary engineering function, and pays a large part of the cost. As the work under Public Law 566 is now being administered, the only essential difference be-

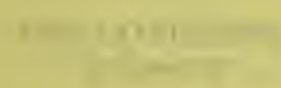
tween what the Soil Conservation Service calls a local project and what is designated a "Federal" project by the Corps of Engineers is that for a Public Law 566 project a local organization goes through the formality of letting the contract. If this is all that is required to make a project a local undertaking, every "Federal" project authorized by flood control and rivers and harbors legislation could readily be converted to a local project.

3. Mr. Rittenoure also indicated that in reviewing the plans submitted under Public Law 566 the Corps of Engineers duplicates the minutiae of the engineering work performed by the Soil Conservation Service. This is not correct. Review by the Department of the Army of watershed work plans prepared under Public Law 566 is required under that law and under Presidential instructions. This review is made by the Corps of Engineers and is limited generally to a careful reading of the reports prepared by the Soil Conservation Service and the preparation of comments and suggestions on the basis of our experience in the field of engineering design, construction, and flood control. It is perhaps not generally understood that all Federal agencies concerned with water-resource development review and comment on the proposals of other agencies. Thus the Secretary of Agriculture also reviews and comments on flood-control reports of the Corps of Engineers. This interagency review is valuable in that it makes available to any agency the specialized knowledge of others. Under this review procedure the corps is not concerned with minutiae and does not duplicate any work of the Soil Conservation Service.

4. Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute, misunderstood the suggestion of the Corps of Engineers that the local organizations retain their own engineers. In his testimony he interpreted this suggestion to be merely an indirect attack on the competence of engineers of the Soil Conservation Service. There was no intention whatsoever of questioning the competence of the Soil Conservation Service engineers. The whole purpose of the suggestion was to insure that Public Law 566 projects shall be local undertakings in fact, and not just in name. The term "professional engineer" was used in testimony merely to indicate that the engineers retained by the local organizations should meet the requirements established by the States for the practice of engineering. It is hoped that neither the committee nor the officials of the Department of Agriculture felt that any attempt was being made to cast doubt upon the competence of the engineers which the Soil Conservation Service would employ to design and build Public Law 566 projects.

(Whereupon, at 4:55 p. m., the subcommittee adjourned subject to the call of the chairman.)

X



H. R. 8750

IN THE HOUSE OF REPRESENTATIVES

At large in the House of Representatives

A BILL

To amend the National Bankruptcy and Trust Act of 1937, and for other purposes

84TH CONGRESS
2D SESSION

H. R. 8750

IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 1956

Mr. POAGE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Watershed Protection and Flood Prevention Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Watershed Protection and Flood Prevention Act
4 (Act of August 4, 1954, 68 Stat. 666) is amended as
5 follows:

6 (a) Strike out the third sentence of section 2 and
7 amend the second sentence of said section to read: “ ‘Works
8 of improvement’—any undertaking for—

9 “(1) flood prevention (including structural and land
10 treatment measures) ; or

11 “(2) the conservation, development, utilization,

1 and disposal of water in watershed or subwatershed areas
2 not exceeding two hundred and fifty thousand acres and
3 not including any single structure which provides more
4 than five thousand acre-feet of total capacity except
5 structures proposed to be constructed by a local organi-
6 zation as an integral part of a watershed plan in which
7 any capacity in excess of five thousand acre-feet is for
8 purposes other than flood prevention and the construction
9 cost of such excess capacity is to be borne entirely by the
10 local organization.”

11 (b) Section 4 of the Act is amended by striking out of
12 the proviso in paragraph (2) the words “That no part of
13 the construction cost for providing any capacity in structures
14 for purposes other than flood prevention and features related
15 thereto shall be borne by the Federal Government under the
16 provisions of this Act;” and inserting “That the Secretary
17 shall not require local organizations to assume any part of
18 the construction cost of structural measures applicable to
19 flood prevention.”

20 (c) Section 5 of the Act is amended—

21 (1) by striking out in the first proviso “, and in no
22 event after July 1, 1956”;

23 (2) by inserting after the word “That” in the third
24 proviso “, whenever the estimated Federal contribution
25 to the construction cost of works of improvement in any

1 watershed or subwatershed area shall exceed
2 \$250,000,”; and

3 (3) by inserting in the fourth proviso after the
4 words “That any such plan” the words “involving an
5 estimated Federal contribution to construction costs in
6 excess of \$250,000”.

7 (d) Said Act is further amended by inserting after
8 section 7 the following two new sections and renumbering
9 subsequent sections of the Act to conform:

10 “SEC. 8. The Secretary is hereby authorized to make
11 loans to local organizations to finance the local share of costs
12 of carrying out works of improvement provided for in this
13 Act. Such loans shall be repaid in not more than fifty years
14 from the date when the principal benefits of the project first
15 become available with interest, at the average rate, as deter-
16 mined by the Secretary of the Treasury, paid on the long-
17 term interest-bearing marketable securities of the United
18 States outstanding at the beginning of the fiscal year in
19 which the loan is made.

20 “SEC. 9. The provisions of this Act shall be applicable
21 to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.”

84TH CONGRESS
2D Session

H. R. 8750

A BILL

To amend the Watershed Protection and Flood
Prevention Act.

By Mr. Poage

JANUARY 24, 1956

Referred to the Committee on Agriculture

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued February 21, 1956
For actions of February 20, 1956
84th-2nd, No. 28

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HIGHLIGHTS: Sen. Clements announced that farm bill would be considered immediately after completion of Senate action on pending money resolutions. House committee on Feb. 17 reported Interior appropriation bill. House committee ordered reported bill to provide for cost-sharing in conservation projects. House committee ordered reported bill to increase wheat allotments and quotas in certain States. Rep. Brown, Ga., criticized and urged reconsideration of America's farm program. Both Houses received from this Department proposed bill providing for payment of expenses of Advisory Committee on Soil and Water Conservation.

HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 9390, the Interior Department and Related Agencies appropriation bill for 1957 (H. Rept. 1772). p. 2562
Received from the President various supplemental appropriation estimates for fiscal year 1956 for the legislative and judicial branches and various agencies of the executive branch (H. Doc. 341); to Appropriations Committee (p. 2561). The estimate includes \$5,433,700 for the Department of Agriculture for pay act costs under Public Law 94. Other pay act items, totaling \$9,944,377, were submitted earlier in H. Doc. 330 along with program supplementals for ARS, Forest Service, FHA, and CCC (see Digest 22).
2. LANDS. At the request of Rep. Aspinall, passed over H. R. 6815, to provide for the orderly disposition of certain lands acquired under Title III of the Bankhead-Jones Farm Tenant Act. p. 2526
3. FARM-CITY WEEK. At the request of Rep. Aspinall, passed over H. J. Res. 317, to provide that the last week in October be designated National Farm-City Week. p. 2526

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4. COMMITTEES. Both Houses received from this Department proposed legislation to authorize the Secretary to pay the expenses of an Advisory Committee on Soil and Water Conservation; to the House Agriculture Committee and the Senate Agriculture and Forestry Committee. pp. 2562, 2453
 5. WATERSHEDS. The Agriculture Committee ordered reported with amendment H. R. 8750, to provide for cost-sharing arrangements in certain watershed protection and flood control activities. p. D138
 6. WHEAT. The Agriculture Committee ordered reported S. 3884, to provide for an increase in the wheat acreage allotments and marketing quotas for certain States. p. D138
 7. RECLAMATION. Rep. Trimble paid tribute to Rep. Wickersham for his efforts on behalf of the Washita reclamation project. p. 2525
Passed as reported H. R. 1779, to authorize the construction, maintenance, and operation of the Juniper division of the Tapinitia reclamation project, Ore.; H. R. 6643, to provide that excess lands acquired by foreclosure or inheritance may receive water temporarily for 5 years; and H. R. 101, to provide clarifications in contract repayments in irrigation and reclamation projects. pp. 2527, 2528
 8. FARM PROGRAM. Rep. Brown, Ga., criticized the administration of the present farm program and urged research in the industrial use of agricultural products, vigorous application of surplus commodities disposal provisions, and recognition of agricultural surpluses as a national defense measure. p. 2557
 9. INVESTIGATIONS. Reps. Hoffman and Jonas criticized the activities of the Government Operations subcommittee investigating certain aspects of the REA and the Al Sarena mining case, as being conducted in an unfair manner. p. 2546
 10. NATIONAL PARKS. The Interior and Insular Affairs Committee reported with amendment S. 1529, to provide for the revision of the boundaries of the Theodore Roosevelt National Memorial Park, N. Dak. (H. Rept. 1773); and reported without amendment H. R. 5299, to authorize the establishment of the Virgin Islands National Park (H. Rept. 1774). p. 2562
 11. PERSONNEL. Passed as reported H. R. 5862, to confer upon U. S. District Courts jurisdiction to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. p. 2527
Received from the Civil Service Commission proposed legislation to authorize the training of Federal employees at public or private facilities; to the Post Office and Civil Service Committee. p. 2562
 12. LOBBYISTS. Received the quarterly report of lobbyists registered pursuant to Title III, Regulation of Lobbying Act. p. 2565
- SENATE
13. LEGISLATIVE PROGRAM. Acting Majority Leader Clements announced that the farm bill would be considered immediately after the completion of the Senate's action on the pending money resolutions. p. 2523
 14. FOREIGN TRADE. Both Houses received a report from the Commerce Department on export control for the fourth quarter of 1955. pp. 2453, 2561

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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84th-2nd, No. 31

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HIGHLIGHTS: Senate continued debate on farm bill. House committee reported bill to amend watershed law. House committee reported bill to increase wheat allotments and quotas in certain States. Rep. Sikes introduced and discussed bill to provide tree planting on surplus croplands.

SENATE

1. FARM PROGRAM. Continued debate on general features of the farm bill (S. 3183). pp. 2738, 2767, D153
2. ELECTRIFICATION; RECLAMATION. Sen. Langer inserted resolutions adopted by the Sheyenne Valley, N. Dak., Electric Cooperative favoring expansion of the rural electrification program, opposing a Hoover Commission proposal relating to the program, and urging full development of the Missouri Basin. p. 2726
3. PARITY. Sen. Langer inserted a GTA Grain Elevator Line resolution urging 100 percent of parity for farm products. p. 2726
4. DAIRY RESEARCH. Sen. Wiley inserted a Columbia Co., Wis., resolution favoring the establishment of a dairy research building in Madison, Wis. p. 2726
5. AUDITS. Received from the Government Operations Committee a report, "A Review of the Audit Reports of the Comptroller General," containing an outline of the comprehensive audits of the various departments (S. Rept. 1572). p. 2727
6. FOREIGN TRADE. Sen. McClellan criticized the easing of restrictions on trade with Communist-bloc countries, and discussed the matter with other Senators. p. 2771

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7. TRANSPORTATION. Sen. Smathers inserted a recent speech by Sen. Magnuson discussing The Cabinet Committee's report on transportation. p. 2778

HOUSE

8. WATERSHEDS. The Agriculture Committee reported with amendments H. R. 8750, to amend the Watershed Protection and Flood Prevention Act (H. Rept. 1810). pp. 2795, 2872
9. WHEAT. The Agriculture Committee reported without amendment S. 2884, to provide for an increase in wheat acreage allotments and marketing quotas in certain States (H. Rept. 1807). p. 2872
10. FOREIGN TRADE. Rep. Lane expressed his opposition to the bill providing for U. S. participation in the OTC, as being inimical to the best interest of American industry and labor. p. 2789
Rep. Bailey criticized OTC and GATT and opposed U. S. participation in this organization and agreement. He alleged that Congressional control of imports and exports of farm products would be harmed by U. S. participation in these organizations. p. 2849
11. TRANSPORTATION. Rep. Priest urged that the ICC use caution in granting increased rates to railroads and other common carriers. p. 2790
12. ELFCTRIFICATION. Rep. Abernethy criticized the Administration's amortization proposal for TVA and urged that TVA be authorized to issue its own bonds for the financing of necessary improvements. p. 2790
13. PERSONNEL. Rep. Lesinski spoke in favor of his bill H. R. 9473, to amend the Civil Service Retirement Act, and urged that the provisions granting increased annuities to present annuitants be given favorable consideration. p. 2790
14. RECLAMATION. Rep. Miller, Neb., cited Congressional authorization of funds for irrigation and reclamation projects in foreign aid bills and urged that favorable consideration be given to the proposed Colorado River project. p. 2792
Rep. Hosmer inserted quotable remarks from Sen. Douglas expressing opposition to the proposed Colorado River reclamation project. p. 2792
15. FARM PROGRAM. Rep. Hoffman inserted the text of a Lincoln Day address by Rep. Vursell commending the efforts of the present administration to deal with the problems of price supports, surpluses, pork production, and farm commodity exports. p. 2853
16. COMMITTEE ASSIGNMENTS. Elected Reps. Holland and Healey as members of the Banking and Currency Committee. p. 2791
17. LEGISLATIVE PROGRAM. The Majority Whip, Rep. Arends, announced that on Tues., Feb. 28, H. R. 3383, to authorize the construction, operation, and maintenance of the Colorado River reclamation project, would be considered, and that this would carry over until Wed., Feb. 29; and that on Mar. 1, the House would consider the General Government Matters appropriations bill for 1957. p. 2791
18. ADJOURNED until Mon., Feb. 27. p. 2871

AMENDMENTS TO WATERSHED PROTECTION AND FLOOD PREVENTION ACT

FEBRUARY 23, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H. R. 8750]

The Committee on Agriculture, to whom was referred the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 2, line 19, strike out the period and insert a semicolon.

Page 3, line 2, strike out the comma.

Page 3, line 6, strike out the period and insert "and after the words 'public or other lands' the words 'or wildlife'."

STATEMENT

In general, the purpose of this bill is to amend the Watershed Protection and Flood Prevention Act, so as to provide a program that will be consistent with other Federal programs for the conservation, control, and utilization of water. The bill makes a number of specific amendments to the act, the more important of which are:

1. The general scope of the act is broadened to include all aspects of the conservation, development, utilization, and disposal of water—not just the "agricultural phases" of these activities as provided in the present act. This means that such things as municipal and industrial water supplies may be included as part of a watershed program.

2. Permits the building of dams with a capacity in excess of 5,000 acre-feet if the capacity in excess of that figure is for purposes other than flood prevention and the construction cost of such excess capacity is borne entirely by the local cooperating organizations.

3. Provides that the local organizations shall not be required to assume any part of the construction cost of structural measures ap-

plicable to flood prevention. Local organizations and individuals will continue to be required to provide rights-of-way, easements, etc., for such structural measures and to carry out necessary land-treatment measures.

4. Eliminates delay in the handling of small projects by providing that projects involving a Federal contribution of less than \$250,000 need not be submitted separately to Congress through the President.

5. Provides for long-term loans at the Government rate of interest to local organizations for the purpose of financing their share of the cost of programs.

6. Extends the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

Nothing in the bill will change the basic principle of the act that the planning and carrying out of such programs is the joint responsibility of the State and local governments, individuals, and the Federal Government, and that the cost of such projects should be divided as equitably as possible among the participants on the basis of benefits received. In general, the amended act will provide three different levels of Federal cost sharing: (a) Those purposes for the accomplishment of which the Federal Government will bear the full cost of structural measures (flood prevention); (b) those in which the Federal Government and local agencies will share the cost (storage of water for irrigation, streamflow regulation, drainage, and other similar purposes); (c) and those purposes where the Federal Government will bear no part of the structural cost (municipal and industrial water supplies).

HEARINGS

Hearings on this matter were begun in the first session of the 84th Congress by the Subcommittee on Conservation and Credit. Under consideration at that time were H. R. 6146 by Mrs. Blicht, and H. R. 6148 by Mr. Matthews. Both of these bills would have made part of the amendment to the act provided in the bill herewith reported. After careful consideration, the subcommittee decided that the act required more extensive revision than provided by these two bills and, after study of the subject during the congressional recess, hearings were resumed after the start of the second session. After further consideration of the subject, the subcommittee drafted the bill herewith reported which was introduced by numerous members including Mr. Poage, Mrs. Blicht, Mr. Johnson of Wisconsin, Mr. Laird, Mr. Matthews, and Mr. Hope.

ANALYSIS OF THE BILL

The amendments to section 2 of the act would permit the Secretary of Agriculture to assist local organizations to plan and carry out improvements as a part of the total watershed plan, not only for irrigation, drainage and flood prevention but also for such purposes as municipal and industrial water supply, recreation, fish and wildlife improvement, pollution abatement by streamflow regulation, and saline water intrusion control. The Secretary could assist local organizations in carrying out a multiple-purpose water- and land-management program instead of one confined to flood prevention and agricultural water management.

The amendments would also permit planning of a structure providing more than 5,000 acre-feet of total capacity but only if the structure is (1) an integral part of the watershed plan, (2) the capacity in excess of 5,000 acre-feet is for other than flood-prevention purposes, and (3) the construction cost of the excess capacity is to be borne by the local organization.

The amendment to section 4 of the act is designed to substantially equalize cost sharing in the watershed protection and flood prevention program with that provided for in the flood-control acts, reclamation acts, and similar legislation.

This amendment provides—

That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention.

Local organizations would still be required to acquire all lands, easements and rights-of-way, and to assume the full cost of their operation and maintenance. Moreover, farmers are required to agree to proper farm plans and to carry out recommended soil conservation measures on at least 50 percent of the lands situated in the drainage area above any reservoir. The committee is convinced that those requirements alone represent an equitable sharing of costs.

It is the intention of the committee that the term "flood prevention" shall be construed to mean not only land treatment and structures, such as detention reservoirs, but also drainage channels and related improvements to remove excess water caused by precipitation or overflow on flat lands.

The amendment removes the restriction in section 4 of the act which prohibits the Secretary from sharing in the construction cost of providing capacity in structures for purposes other than flood prevention. The purpose of this amendment is to allow some degree of Federal aid in the storage of water for irrigation, streamflow regulation and other beneficial purposes. The exact amount of Federal participation in improvements for purposes other than flood prevention is not specified in the act but is governed by the basic policy that costs are to be shared equitably on the basis of benefits obtained.

The Secretary will continue to have the latitude under section 4 to determine what proportionate share of the costs are "equitable in consideration of anticipated benefits from such improvements." The committee considers, however, that the Secretary should establish procedures for fixing the proportion of costs in advance of project planning. Moreover, the committee believes that with respect to agricultural purposes provided for under the bill such as irrigation, drainage, saline water intrusion control, and similar purposes, Federal assistance should be substantially comparable to that provided for under the reclamation acts and similar legislation.

The committee considers that the Secretary should not provide for any part of the construction costs allocated to municipal and industrial water supply or other similar purposes. Municipalities will, however, benefit in many instances through cheaper storage resulting from a combination of flood prevention and water supply capacity in the same structure. Moreover, municipalities would be eligible for a loan under the new loan provisions of this bill.

The committee feels that the Watershed Protection and Flood Prevention Act, if amended in accordance with this bill, would provide for a program that could operate without conflict with other

programs in the 17 western reclamation States. Many needed improvements for irrigation do not require the complete watershed treatment program provided for in Public Law 566 and doubtless would continue to be carried out under the reclamation acts. But where a complete watershed treatment program is needed and desired by local people, they should not be precluded from including in their plan all phases of proper water management with a substantially comparable degree of Federal assistance as is provided under other programs. In other words, local organizations should have a choice of programs adapted to meet the particular needs of their local areas.

DEPARTMENTAL VIEWS

Due to time limitation the Department of Agriculture was not requested to submit a report on the bill in the form of a letter but was requested to have a departmental spokesman testify at the hearing as to the Department's recommendations on the bill. Accordingly, Assistant Secretary of Agriculture E. L. Peterson appeared before the subcommittee and testified generally in favor of enactment of the legislation. Following is the portion of his statement dealing specifically with the several amendments to the Watershed Act proposed by this bill.

The first amendment relates to broadening the purpose of the act by deleting the phrase "agricultural phases of" in connection with definition of "works of improvement." It is our understanding that this amendment would permit the formulation of small projects having for their purpose the beneficial use of water for any economically justifiable purpose. It seems reasonable that a watershed project for flood-control purposes initiated and planned by local people within the scope of this act should not be precluded from including phases of water development and use which are physically practical and economically justified.

The second amendment deleting the proviso clause which prohibits the Department from sharing in the cost of storage for purposes other than flood prevention is closely related to the first proposed amendment. In the determination of what is equitable, we have followed the basic principle that cost sharing should be based on the ratio of direct identifiable benefits to total benefits. We see no reason why the same principle should not be applied to the additional purposes here proposed. In small projects benefits are not so widely disbursed that they cannot be identified and likewise recipients of direct benefits are identifiable. It is therefore fully expected that a very minor portion, if any, of costs of projects or of structures in projects incurred for purposes other than flood prevention would accrue as Federal costs. The major portion would accrue to the local sponsoring organization.

A third amendment would set up certain conditions under which a structure providing more than 5,000 acre-feet of total capacity may be included in a watershed plan. These conditions are (1) that the structure will be constructed by a local organization as an integral part of the watershed plan, (2) that the flood-prevention capacity of the structure will not exceed 5,000 acre-feet and (3) that the construction cost of capacity in excess of 5,000 acre-feet will be borne entirely by the local organization.

This amendment would permit the inclusion of flood-prevention storage at sites which local organizations wish to utilize for other purposes. For example if a municipality wishes to build a municipal water supply reservoir, but at the same site up to 5,000 acre-feet of flood-prevention capacity could be incorporated in the structure to be built by the municipality, such a structure could be included in the plan. The Department could share in the cost of the flood-prevention storage but the municipality would be required to pay for the entire cost of all storage over 5,000 acre-feet. We have worked out several arrangements of this kind in the 11 watersheds authorized under the Flood Control Act of 1944 and in the pilot watershed program. This amendment is consistent with the position we have taken that these projects should provide for inclusion of features to provide for all beneficial use of water which are economically justified. Our experience thus far would indicate that this provision would find application only in a limited number of watershed projects.

A fourth amendment would provide "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention." We feel that this amendment defeats the concept of cost sharing presently embodied in the act which provides that, "local organizations shall assume such proportionate share of the cost of any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of the anticipated benefits from such improvements." In other words, cost sharing should be determined as between the local sponsors of projects and the Federal Government on the basis of the ratio of direct identifiable local benefits to total benefits. Local landowners or other benefited interests should participate in project costs to the extent of their benefits. As to projects developed thus far we have, however, fully recognized the individual peculiarities of each.

We believe that the success of this program depends on acceptance by local communities of responsibility for project initiation and for direct participation in project costs. People must first believe and be convinced in their own judgments that projects are of benefit to themselves and their communities. This is the basis on which the projects to date have been planned and proposed by local organizations.

A fifth amendment would strike out the terminal date of July 1, 1956, after which the Department of Agriculture could, in no event, contract for works of improvement. We are advised that this amendment would have little or no practical effect since the act would still prohibit the Secretary from contracting improvements whenever a local organization had legal authority to do so. Actually, this legal authority is inherent in the capacity of a local organization to carry out, operate, and maintain works of improvement, which is a prerequisite to making an application for assistance under the act. We believe that local contracting for structural works of improvement should be maintained as a matter of principle.

A sixth amendment provides for exemption of projects involving a Federal contribution of less than \$250,000 to the construction cost of structural works of improvement from review by other Federal agencies and transmission to the Congress. There is an interrelation between small and large water-resource projects that should not be overlooked when there is a practical and significant relationship. In view of the nature of growing demands for usable water supplies we believe it is desirable to provide for review by all agencies with water responsibilities. We want to eliminate all unnecessary administrative steps, but in view of increasing water-project developments, we believe a review procedure is important.

A seventh amendment adds a new section authorizing the Secretary to make long-term loans to local organizations at the rate of interest paid by the Government on its long-term interest-bearing marketable securities to finance the local share of project costs. We recognize that local organizations sometimes have difficulty raising cash for necessary improvements and we believe that a loan provision is desirable to meet credit requirements of local sponsoring organizations in those instances where there is no alternative credit source even though the local organization resources are adequate to meet repayment over a long-term period not in excess of 50 years. We believe a limitation on the size of loans should be included. We suggest an upper limit of \$5 million on any one project.

We believe the program should be extended to include Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

Our experience this far under the act has brought us to the conclusions here expressed. We expect further experience will lead to additional suggestions for changes. In administering this act we are doing our best to make it serve the real and practical need which was envisaged when it was enacted and which local watershed communities believe it can serve. In doing this, we hold to the philosophy that these are local projects with Federal participation, not Federal projects with local participation. Amendments which would tend to make these Federal projects, we believe, would not be desirable.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black

brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

PUBLIC LAW 566—83D CONGRESS

CHAPTER 656—2D SESSION

H. R. 6788

AN ACT To authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That erosion, floodwater, and sediment damages in the watersheds of the rivers and streams of the United States, causing loss of life and damage to property, constitute a menace to the national welfare; and that it is the sense of Congress that the Federal Government should cooperate with States and their political subdivisions, soil or water conservation districts, flood prevention or control districts, and other local public agencies for the purpose of preventing such damages and of furthering the conservation, development, utilization, and disposal of water and thereby of preserving and protecting the Nation's land and water resources.

SEC. 2. For the purposes of this Act, the following terms shall mean:

The "Secretary"—the Secretary of Agriculture of the United States.

"Works of improvement"—any undertaking for—

- (1) flood prevention (including structural and land-treatment measures) or
- (2) [agricultural phases of] the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of total capacity [. No appropriation shall be made for any plan for works of improvement which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, respectively.] *except structures proposed to be constructed by a local organization as an integral part of a watershed plan in which any capacity in excess of five thousand acre-feet is for purposes other than flood prevention and the construction cost of such excess capacity is to be borne entirely by the local organization.* A number of such subwatersheds when they are component parts of a larger watershed may be planned together when the local sponsoring organizations so desire.

"Local organization"—any State, political subdivision thereof, soil or water conservation district, flood prevention or control district, or combinations thereof, or any other agency having authority under State law to carry out, maintain and operate the works of improvement.

SEC. 3. In order to assist local organizations in preparing and carrying out plans for works of improvement, the Secretary is authorized, upon application of local organizations if such application has been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over programs provided for in this Act, or by the Governor if there is no State agency having such responsibility—

- (1) to conduct such investigations and surveys as may be necessary to prepare plans for works of improvement;
- (2) to make such studies as may be necessary for determining the physical and economic soundness of plans for works of improvement, including a determination as to whether benefits exceed cost;
- (3) to cooperate and enter into agreements with and to furnish financial and other assistance to local organizations: *Provided*, That, for the land-treatment measures, the Federal assistance shall not exceed the rate of assistance for similar practices under existing national programs;
- (4) to obtain the cooperation and assistance of other Federal agencies in carrying out the purposes of this section.

SEC. 4. The Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall—

- (1) acquire without cost to the Federal Government such land, easements, or rights-of-way as will be needed in connection with works of improvement installed with Federal assistance;
- (2) assume such proportionate share of the cost of installing any works of improvement involving Federal assistance as may be determined by the

Secretary to be equitable in consideration of anticipated benefits from such improvements: *Provided*, [That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this Act;] *That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention.*

(3) make arrangements satisfactory to the Secretary for defraying costs of operating and maintaining such works of improvement, in accordance with regulations presented by the Secretary of Agriculture;

(4) acquire, or provide assurance that landowners have acquired, such water rights, pursuant to State law, as may be needed in the installation and operation of the work of improvement; and

(5) obtain agreements to carry out recommended soil conservation measures and proper farm plans from owners of not less than 50 per centum of the lands situated in the drainage area above each retention reservoir to be installed with Federal assistance.

SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the Secretary is authorized to assist such local organizations in developing specifications, in preparing contracts for construction, and to participate in the installation of such works of improvement in accordance with the plan: *Provided*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract[, and in no event after July 1, 1956]: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: *Provided further*, That, whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000, at least forty-five days (counting only days occurring during any regular or special sessions of the Congress) before such installation involving Federal assistance is commenced, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least sixty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above sixty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army.

SEC. 6. The Secretary is authorized in cooperation with other Federal and with States and local agencies to make investigations and surveys of the watersheds of rivers and other waterways as a basis for the development of coordinated programs. In areas where the programs of the Secretary of Agriculture may affect public or other lands under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior is authorized to cooperate with the Secretary of Agriculture in the planning and development of works or programs for such lands.

SEC. 7. The provisions of the Act of June 22, 1936 (49 Stat. 1570), as amended and supplemented, conferring authority upon the Department of Agriculture under the direction of the Secretary of Agriculture to make preliminary examinations and surveys and to prosecute works of improvement for runoff and waterflow retardation and soil erosion prevention on the watersheds of rivers and other waterways are hereby repealed: *Provided*, That (a) the authority of that Depart-

ment of Agriculture, under the direction of the Secretary, to prosecute the works of improvement for runoff and waterflow retardation and soil erosion prevention authorized to be carried out by the Department by the Act of December 22, 1944 (58 Stat. 887), as amended, and (b) the authority of the Secretary of Agriculture to undertake emergency measures for runoff retardation and soil erosion prevention authorized to be carried out by section 7 of the Act of June 28, 1938 (52 Stat. 1215), as amended by section 216 of the Act of May 17, 1950 (64 Stat. 163), shall not be affected by the provisions of this section.

SEC. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

SEC. **[8.]** 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

SEC. **[9.]** 11. This Act may be cited as the "Watershed Protection and Flood Prevention Act".



84TH CONGRESS
2D SESSION

H. R. 8750

[Report No. 1810]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 1956

Mr. POAGE introduced the following bill; which was referred to the Committee on Agriculture

FEBRUARY 23, 1956

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Watershed Protection and Flood Prevention Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Watershed Protection and Flood Prevention Act
4 (Act of August 4, 1954, 68 Stat. 666) is amended as
5 follows:

6 (a) Strike out the third sentence of section 2 and
7 amend the second sentence of said section to read: “ ‘Works
8 of improvement’—any undertaking for—

9 “(1) flood prevention (including structural and land
10 treatment measures) ; or

11 “(2) the conservation, development, utilization,

1 and disposal of water in watershed or subwatershed areas
2 not exceeding two hundred and fifty thousand acres and
3 not including any single structure which provides more
4 than five thousand acre-feet of total capacity except
5 structures proposed to be constructed by a local organi-
6 zation as an integral part of a watershed plan in which
7 any capacity in excess of five thousand acre-feet is for
8 purposes other than flood prevention and the construction
9 cost of such excess capacity is to be borne entirely by the
10 local organization.”

11 (b) Section 4 of the Act is amended by striking out of
12 the proviso in paragraph (2) the words “That no part of
13 the construction cost for providing any capacity in structures
14 for purposes other than flood prevention and features related
15 thereto shall be borne by the Federal Government under the
16 provisions of this Act;” and inserting “That the Secretary
17 shall not require local organizations to assume any part of
18 the construction cost of structural measures applicable to
19 flood ~~prevention~~ *prevention*,”

20 (c) Section 5 of the Act is amended—

21 (1) by striking out in the first proviso “, and in no
22 event after July 1, 1956”;

23 (2) by inserting after the word “That” in the third
24 proviso “, whenever the estimated Federal contribution
25 to the construction cost of works of improvement in any

watershed or subwatershed area shall exceed
~~\$250,000~~, \$250,000"; and

(3) by inserting in the fourth proviso after the words "That any such plan" the words "involving an estimated Federal contribution to construction costs in excess of \$250,000" *and after the words "public or other lands" the words "or wildlife"*.

(d) Said Act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the Act to conform:

"SEC. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

84TH CONGRESS
2D SESSION

H. R. 8750

[Report No. 1810]

A BILL

To amend the Watershed Protection and Flood
Prevention Act.

By Mr. Poage

JANUARY 24, 1956

Referred to the Committee on Agriculture

FEBRUARY 23, 1956

Reported with amendments, committed to the Com-
mittee of the Whole House on the State of the
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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 25, 1956
For actions of April 24, 1956
84th-2nd, No. 66

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HIGHLIGHTS: House passed watershed bill. Several Senators commended Sen. Johnson's address in answer to veto message on farm bill; others defended President's action. Rep. Cooley introduced bill to extend and amend ACP law.

HOUSE

1. WATERSHEDS; FLOOD CONTROL. Passed as reported H. R. 8750, to amend the Watershed and Flood Prevention Act. The bill includes the following provisions:

Broadens the general scope of the act to include all aspects of the conservation, development, utilization, and disposal of water- not just the "agricultural phases" of these activities as provided in the present act. Permits the building of dams with a capacity in excess of 5,000 acre-feet if the capacity in excess of that figure is for purposes other than flood prevention and the construction cost of such excess capacity is borne entirely by the local cooperating organizations. Provides that the local organizations shall not be required to assume any part of the construction cost of structural measures applicable to flood prevention. Local organizations and individuals would continue to be required to provide rights-of-way, easements, etc., for such structural measures and to carry out necessary land-treatment measures. Eliminates delay in the handling of small projects by providing that projects involving a Federal contribution of less than \$250,000 need not be submitted separately to Congress through the President. Provides for long-term loans at the Government rate of interest to local organizations for the purpose of financing their share of the cost of programs. Extends the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands. p. 6156

2. **ROADS.** The Rules Committee reported a resolution for consideration of H. R. 10660, the proposed "Federal Highway Act of 1956," which includes provisions as follows:

For Federal-aid highways, authorizes \$25 million additional for the fiscal year 1957, \$750 million for 1958, and \$775 million for 1959. For forest highways, authorizes \$25 million for each of the fiscal years 1958 and 1959 (an increase of \$2,500,000 annually over the 1956 and 1957 authorizations). For forest roads and trails, authorizes \$27 million for each of the fiscal years 1958 and 1959 (an increase of 3 million annually over the 1956 and 1957 authorizations). Provides that forest highway funds shall hereafter be available for vehicular parking areas (such authority already applies to forest roads and trails). Repeals the requirement for apportionment of funds authorized for forest roads and trails. Authorizes various amounts for roads in areas under control of the Interior Department. Prohibits apportionment of interstate funds to any State where the Interstate System may lawfully be used by extra large (defined in the bill) trucks. Directs the Commerce Department to expedite tests on the maximum desirable size and weight of trucks and to make recommendations to Congress by Mar. 1, 1959. Title II of the bill, which would be the "Highway Revenue Act of 1956," increases taxes on gasoline, tires, trucks, buses, and truck trailers. p. 6171

3. **APPROPRIATIONS.** H. R. 10721, as reported (see Digest 65), includes contributions to various international organizations, including \$1,994,863 for the Food and Agriculture Organization, \$210,000 for the Inter-American Institute of Agricultural Sciences, \$17,150 for the International Sugar Council, and \$27,415 for the International Wheat Council.

SENATE

4. **FARM PROGRAM.** Several Senators commended the address of Sen. Johnson in answer to the President's veto message on the farm bill; other Senators defended the President's action. (pp. 6108, 18, 20, 41). Sen. Russell inserted Sen. Johnson's address (p. 6108), Sen. Knowland inserted the addresses delivered by the President at Kasson, Minn. (p. 6148), and at Memphis, Tenn. (p. 6150) during the 1952 campaign.

Sen. Langer inserted a N. Dak. newspaper article stating that a majority of the local farmers were critical of the farm bill veto. p. 6117

5. **LAND CLASSIFICATION.** Received from the Interior Department a letter certifying that an adequate soil survey and land classification has been made of the lands in the Santa Maria Water Conservation District, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation; to Interior and Insular Affairs Committee. p. 6104

6. **FLOOD CONTROL.** The Subcommittee on Flood Control of the Public Works Committee ordered reported to the full committee with amendments S. 1358, to authorize modification of the flood-control project for Missouri River agricultural levee unit 513-512-R, Richardson Co. Nebr. p. D385

7. **RECLAMATION.** The Interior and Insular Affairs Committee reported with amendments S. 497, to authorize the construction, operation, and maintenance of the Washoe reclamation project, Nev. and Calif. (S. Rept. 1892). p. 6106

ITEMS IN APPENDIX

8. **FARM PROGRAM.** Rep. Harden inserted 4 editorials commending the President's veto of the farm bill. p. A3299

from Texas tell us how much more this is going to cost than the bill passed by the House?

Mr. KILDAY. The Department estimates that it will cost an additional approximately \$572,000.

Mr. BOW. I withdraw my reservation of objection, Mr. Speaker.

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Speaker, does the gentleman feel this will be helpful in securing more doctors for the hospitals?

Mr. KILDAY. We are very hopeful that it will, and feel that it will attract and retain physicians and dentists on a career basis in the armed services.

Mrs. ROGERS of Massachusetts. I am delighted.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Transportation and Communications of the Committee on Interstate and Foreign Commerce may sit for the remainder of the week during general debate while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports as it sees fit.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FOREIGN POLICY

(Mr. O'HARA of Illinois asked and was given permission to address the House for 1 minute.)

Mr. O'HARA of Illinois. Mr. Speaker, on Saturday the President and the former Governor of Illinois stated their respective positions on the matter of foreign policy. In yesterday's Washington News, a Scripps-Howard newspaper, appeared an editorial in which an appraisal was made of the positions taken by the President and the probable nominee of the Democratic Party to oppose him in the November presidential election.

I read from the editorial:

The contrast between the Eisenhower and the Stevenson speeches makes it appropriate to examine the broad picture of foreign policy. * * * We do not hesitate to say—as we have been saying in effect for a long time—that Mr. Stevenson's appraisal of the state of the world makes a lot more sense than President Eisenhower's. The time has come for the Eisenhower administration to get out of its complacent mood, to throw

away its rose-tinted glasses, to tell the American people the real facts, however unpleasant. Stop all this nonsense about the Soviets failing. We are failing. * * * The United States needs new policies to fit the new facts. President Eisenhower and his Secretary of State need to get in step with these facts.

It would appear from this and editorials much along the same line in newspapers throughout the Nation that Governor Stevenson's address in Washington on foreign policy has made a profound impression upon the country.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Does the gentleman intend to make the point of order before the conclusion of the unanimous consent requests?

Mr. WILLIAMS of Mississippi. Yes, Mr. Speaker, I have a reason and I insist on the point of order.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 29]

Addonizio	Garmatz	Morgan
Bailey	Gary	Morrison
Barden	Gavin	Moulder
Barrett	Granahan	Mumma
Bass, N. H.	Grant	O'Hara, Minn.
Bass, Tenn.	Green, Oreg.	O'Konski
Baumhart	Haley	O'Neill
Betts	Hand	Osmers
Blatnik	Healey	Philbin
Bonner	Hébert	Phillips
Bowler	Hess	Pilcher
Boykin	Hiestand	Pillion
Bush	Hinshaw	Powell
Byrne, Pa.	Hoffman, Ill.	Prouty
Byrnes, Wis.	Holland	Quigley
Carlyle	Jackson	Rhodes, Pa.
Carrigg	James	Riehlman
Chatham	Jenkins	Saylor
Chilperfield	Jensen	Scherer
Chudoff	Johnson, Calif.	Scott
Clark	Kearns	Sheehan
Cole	Kee	Shelley
Cooley	Kelley, Pa.	Sleminski
Corbett	Kelly, N. Y.	Sikes
Coudert	Kilburn	Simpson, Pa.
Cretella	King, Pa.	Staggers
Dague	Knox	Vanik
Davis, Tenn.	Knutson	Van Zandt
Dingell	Lankford	Vursell
Donovan	McConnell	Walter
Doyle	McCulloch	Watts
Durham	McDowell	Wier
Eberhart	Macdonald	Williams, N. J.
Fenton	Matthews	Williams, N. Y.
Flood	Merrow	Wilson, Ind.
Fogarty	Miller, Calif.	Wolcott
Forand	Miller, N. Y.	Zelenko
Fulton	Mollohan	
Gamble	Morano	

The SPEAKER. On this rollcall 309 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this

afternoon while the House is in session, during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight tonight to file a report on H. R. 8901, the Capital Transit Authority bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1957

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the bill making appropriations for the Department of Commerce and related agencies for the fiscal year 1957.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I reserve all points of order on the bill.

EXECUTIVE COMMUNICATION NO. 1746

Mr. BURLESON. Mr. Speaker, at the request of my colleague the gentleman from New York [Mr. CELLER], I ask unanimous consent that the Committee on House Administration be discharged from further consideration of Executive Communication No. 1746, concerning the late Honorable Chauncey W. Reed and that it be referred to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ATROCIOUS MURDER OF ISRAELI SCHOOLCHILDREN

(Mr. ROONEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROONEY. Mr. Speaker, a day or so ago I received the following telegram from the Congregation Ohel Abraham, Rabbi N. Horowitz, M. Blinder, president; the Congregation Anshei, Rabbi M. Pinsky; the Congregation Kehal Yesob Hatorah, Rabbi M. Stern; the Congregation Machzikai Torah Bnei Aaron, Rabbi H. Horowitz; the Congregation Beer Shemuel, Rabbi Horowitz; the Congregation Kehal Yereim Chust of Borough Park, Rabbi J. Grunwald; the Congregation Merkaz Amshinov, Rabbi M. Kalish; the Congregation Shomrei Habas, S. Greenberg, president; the

Eretz Israel Committee National Council of Young Israel, Elijah Stein, chairman; and the National Council of Young Israel, Meyer Wiener, president; all from Brooklyn, N. Y., protesting the recent atrocious murder of Israeli schoolchildren:

Hon. Congressman JOHN J. ROONEY,
Washington, D. C.:

The children slain in cold blood while at prayer in Habad Village Israel last Wednesday belong with numerous congregations and schools in America to the same family of Habad Lubavitch followers of purely religious and philanthropic Hassidic movement headed by Chief Rabbi Menachem Schneerson, American citizen, with headquarters in Brooklyn, N. Y. We are our brothers' keeper grieved and heartbroken at cold-blooded murder of our young brothers in Holy Land. We demand our Government take energetic effective steps to prevent similar massacre and assure indemnification of bereaved families.

CIVIL-RIGHTS BILL

(Mr. PELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLY. Mr. Speaker, I am sorry that a short time ago the gentleman from Mississippi [Mr. WILLIAMS] raised a point of no quorum, because at the very time this issue was raised, a meeting was in progress, I understand, in the House Judiciary Subcommittee considering civil-rights legislation. I think it is very important that there be no further delay in consideration of civil-rights legislation. I am informed that at the very moment the quorum call came the administration's three-point program was about to be considered by the subcommittee. I certainly hope that later today there will be no further interruptions of this kind because if there is to be any action on President Eisenhower's recommended program, time is of the essence.

PUBLIC RECREATION FACILITIES IN ALASKA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4047) relating to the establishment of public recreation facilities in Alaska, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 9, insert:

"SEC. 2. There is hereby authorized to be appropriated the sum of \$100,000 per year for each of the fiscal years ending June 30, 1957, June 30, 1958, June 30, 1959, June 30, 1960, and June 30, 1961."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I do this in order to get an explanation of the amendment. The bill passed the House and was amended in the other body. Can the gentleman from California tell us what the amendment does?

Mr. ENGLE. This bill passed the House on the Consent Calendar. It is

a bill relating to the establishment of public recreation facilities in Alaska. We did not have a limitation on the amount of money authorized. The bill as it passed the House on the Consent Calendar was an open-end authorization. The Senate limited it to \$100,000 a year for 5 years.

Mr. MILLER of Nebraska. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AUTHORIZING THE TERRITORY OF ALASKA TO INCUR INDEBTEDNESS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 7, strike out "\$12,500,000" and insert "\$20,000,000."

Page 5, after line 16, insert:

"SEC. 7. The Territory of Alaska is authorized and empowered notwithstanding any provision of the Organic Act or any other act of Congress to the contrary, to guarantee payment of bonds issued by municipalities, school districts, and public utility districts in Alaska for constructing, altering, equipping, or acquiring public improvements of the nature for which the Territory may issue bonds in an aggregate amount which shall not at any one time exceed the sum by which the principal amount of Territorial bonds and certificates of indebtedness then outstanding under this act is less than \$20 million. The authority to guarantee bonds of such subdivisions shall be exercised in a manner prescribed in section 2 of this act."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I wish to ask the gentleman from California [Mr. ENGLE], does this take off the limitation as to the amount of bonded indebtedness permitted?

Mr. ENGLE. No, it does not. The bill as it passed the House authorized the Territory of Alaska to incur certain indebtedness, the Territory being under restrictions of its organic act. The amount provided in the bill was \$12,500,000. The Senate amendment raises that to \$20 million.

The second amendment permits the Territory to guarantee bonds issued by school districts, municipalities, and other public agencies. In other words, it raises the amount \$7,500,000 and permits the Territory to use its financial resources to underwrite the bonds of the school districts and other public agencies.

Mr. MILLER of Nebraska. I wish to issue a warning to the people in Alaska to use this permission to incur bonded indebtedness rather carefully, because I think there is a good deal of inherent

danger involved. I do not like the Senate amendment. I think it is too liberal and gives entirely too much leeway to the Territory in their bonding and guaranteeing the bonds of the school districts, and so forth. It goes much further than the Congress has ever gone before. However, if that is the desire of the Delegate from Alaska I will concur in it.

Mr. ENGLE. It is also the desire of the Governor of Alaska, who requested it.

Mr. MILLER of Nebraska. I still think it is far too liberal, but I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

ORDER OF SIKATUNA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10754) to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Honorable SAM RAYBURN, Speaker of the House of Representatives, is authorized to accept the award of the Order of Sikatuna, Lakan Class, together with any decorations and documents evidencing such award. The Department of State is authorized to deliver to the Honorable SAM RAYBURN any such decorations and documents evidencing such award.

SEC. 2. Notwithstanding section 2 of the act of January 31, 1881 (ch. 32, 21 Stat. 604; 5 U. S. C. 114), or other provision of law to the contrary, the named recipient may wear and display the aforementioned decoration after acceptance thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING WATERSHED PROTECTION AND FLOOD PREVENTION ACT

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 443) providing for the consideration of H. R. 8750, a bill to amend the Watershed Protection and Flood Prevention Act, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally

divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield myself such time as I may require, and thereafter yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, as the reading of the resolution indicates, this is an open rule providing for 2 hours of debate on the bill H. R. 8750 which provides certain amendments to the present Watershed Protection and Flood Prevention Act. In my opinion, it is a very important measure and one of the most important that we may consider at this session. I know of no opposition to the rule on this side of the aisle.

The purpose of the bill is to broaden the scope of the present act. It would authorize the inclusion of municipal and industrial water supplies as a part of a watershed program and would allow the Secretary of Agriculture to assist local organizations in carrying out a multiple-purpose water- and land-management program rather than a program limited to flood prevention and agricultural water management as presently provided in the act.

The act is further amended to permit the inclusion of flood-prevention storage at sites which local organizations wish to utilize for other purposes by allowing the construction of structures providing more than 5,000 acre-feet of total capacity, provided the construction costs of the capacity in excess of 5,000 acre-feet is borne by the local organizations.

Another amendment provides that local organizations shall not be required to assume any part of the construction cost of structural measures applicable to flood prevention. This would allow some degree of Federal aid in the storage of water for such purposes as irrigation and streamflow regulations.

The bill also provides that projects involving a Federal contribution of less than \$250,000 need not be submitted separately to Congress through the President.

Two new sections are added to the present act. One provides for long-term loans at the Government rate of interest to local organizations for the purpose of financing their share of the cost of the programs. The other extends the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 443 so the House may proceed to the consideration of H. R. 8750.

Mr. ALLEN of Illinois. Mr. Speaker, I know of no one who is opposed to this rule.

Mr. Speaker, I reserve the balance of my time.

(Mr. THORNBERRY asked and was given permission to revise and extend his remarks.)

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. POAGE].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8750, with Mr. EDMONDSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. POAGE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, for a great many years it has been the policy of the Federal Government to try to assist communities which have suffered from floods. That development has moved along throughout the years. I believe at first it involved only the Mississippi River and involved nothing but the erection of levees. As the years went by, we found that more and more areas of the country were involved in disastrous floods and we called upon the Army engineers to carry out a more comprehensive program of flood control to try to protect our great urban areas and our agricultural areas as well as our industrial and transportation facilities from losses by these disastrous floods. Gradually it became apparent that it was not sufficient to straighten out the channels or build levees to protect against floods, but it was also necessary to build great storage reservoirs. The engineers went further and further up the stream and built larger and larger reservoirs, and they did a great job of flood control. Our system of flood control is probably the greatest in the world involving the control of waters that have become concentrated in our streams. The Federal Government has always paid the entire cost of flood control, because we felt it was a matter that involved a wide number of our citizenship and it was not something you could assess against any one individual; that it was something the burden of which should fall on all of our people. The Government has paid a tremendous amount of money to control floodwaters, and I think properly. We have spent probably half a billion dollars a year for a good many years in carrying on flood-control works, to control waters that come down our rivers in such volume that the river channels could not carry the water.

In recent years we have begun to recognize more and more that in addition to this work we need something more in the way of trying to prevent the occurrence of as many floods as we can. So we passed what was known as the

Flood Prevention Act, whereby the Federal Government assumed at least partial responsibility for carrying out the upstream works with the idea of preventing as many of the floods as we could. The more floods you can prevent, the less you have to control. Obviously you cannot prevent all floods, so you still need flood control, but to the extent you can prevent floods you save that much money on flood control.

Flood prevention must occur somewhere close to the head of the stream, where the water falls. Flood prevention is primarily a matter of causing the water to sink into the ground where it falls. Failing in that, it involves temporary detention of the water until such time as the channels below will carry it without overflowing and thereby resulting in floods. So we first look to the uses of water on the land. That means on the farms and on the ranches. We try to make as much water as possible sink into the ground where it falls. Then we look to the detention of the water close to where it falls. For that detention we have built detention dams. That is a dam that would be a storage dam if you left the water there. But you do not leave the water there. So you estimate the size of the spillway so that at no time will more water run out than the stream below may carry. If you put enough of those dams upstream you do not have your streams overflowing. Perhaps it would take 2 weeks for the water to run out, whereas if there was no detention it would cause disaster to the people below as it ran out all at once.

So in the original Flood Prevention Act we provided the Federal Government might contribute to a share of the cost of the flood prevention projects, but not all of the cost. We left the major share of the burden on the farmer who owns the land. He is not the man who is primarily interested in the protection that is afforded by this flood prevention, because that protection is somewhere down the stream. That farmer is not the man who is overflowed, because it is water coming off of his land that hurts somebody else. So we thought that we would make a partnership arrangement, but we found that would put too large a part of the cost on the man who owns the land. So we come to you today with a bill that leaves all of the burden of handling the water on the farm, the cost of making it sink into the ground, the cost of such practice as stripcropping and terracing, on the owner of the land. These costs are paid by the farmer because they add to the productivity of his farm. But we provide in this bill today a change in the policy of the cost; we say that the Federal Government will pay all of the cost of all structures to the extent that flood control is involved, but that the farmer will continue to pay all of the cost for his land treatment which leaves him with a cost in most cases equal to and in many cases in excess of the cost that will be borne by the Federal Government. We leave to the farmer or to his local association all the cost of rights-of-way and of operation of the project. We are simply applying to the

flood-prevention program the same criteria that we have long applied to the flood control and the reclamation programs. Where we have built dams for other purposes in the United States we have always said that to the extent that they contributed to flood control the Federal Government would pay the cost of such control.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. MILLER of Nebraska. In looking over the report on the flood-control amendments I find no report from the Agriculture Department. I do find, however, comments taken out of some text and I call attention to the one applying to the fourth amendment where it states:

A fourth amendment would provide "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention." We feel that this amendment defeats the concept of cost sharing presently embodied in the act which provides that, "local organizations shall assume such proportionate share of the cost of any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of the anticipated benefits from such improvements."

I do not understand that the bill conforms in that respect with the thinking of the Department relative to sharing of local costs with the Federal Government. The Federal Government does all the work and pays all the cost—or where it is a local project do the local people who receive the benefits make some contribution?

The gentleman spoke about soil stripping and conservation practices where the farmer gets paid for it as a conservation measure, soil stripping, summer fallowing, and things of that kind. The Congress has presently dealt with 3 or 4 phases of it. I wish the gentleman would comment on the suggestion given to the Government by the Department of Agriculture and whether there was a report by the Bureau of the Budget and what is the attitude of the Bureau of the Budget on this measure.

Mr. POAGE. I have been doing just that. I must apologize to the House if I have expressed myself so ineptly as not to get that point across, because that is exactly what I have been trying to do the last 5 minutes, commenting upon the whole philosophy in which there is a disagreement between the viewpoint that the Federal Government should pay for flood control if it is a part of a reclamation project but should not pay for flood control if it is a part of an agriculture program. There are those who feel that the Federal Government should pay all of the cost of flood control if it is carried on by any other agency of the Government than the engineers or the Bureau of Reclamation. It is my feeling and was the feeling of the committee that the Federal Government should pay for flood control regardless of the agency that carries it out.

The CHAIRMAN. The gentleman from Texas has consumed 10 minutes.

Mr. POAGE. Mr. Chairman, I yield myself 5 additional minutes and now yield to the gentleman from Kansas.

Mr. AVERY. Mr. Chairman, I would like to point out that the amendments proposed in this bill do not bring the Department of Agriculture quite into line with the other Federal agencies on the cost of flood-control projects to the Federal Government. For instance, the Corps of Army Engineers and the Bureau of Reclamation provide the cost of the site and also of the maintenance. Under the terms of this bill those costs are borne by the local interests.

Even though it does not bring it up to the level of other agencies those most interested in conservation are willing to take it as it is.

Mr. POAGE. That is exactly right, this bill still leaves the local people assuming a greater part of the cost than they would under any other program which involves any flood control.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. SPRINGER. I would like to ask the gentleman, and I quote from page 2 of the report:

In general, the amended act will provide three different levels of Federal cost sharing—

And I refer to (c):

(c) And those purposes where the Federal Government will bear no part of the structural cost (municipal and industrial water supplies).

My question is: What is the change in the cost sharing under section (c) as outlined on page 2?

Mr. POAGE. Under the present bill there is not any way whereby you can put municipal water supplies into one of these reservoirs. I do not want to preclude anyone from going into that question but maybe if I could proceed a moment and outline the changes in the bill I could save some questions. There is no provision in the present law whereby you can have municipal water storage. We do provide for municipal water storage in this bill but the local people pay the costs.

Mr. SPRINGER. The reason I asked that is because I happen to have one city in my area where this is under consideration and it is my understanding there was a cost sharing and the city paid a part of it. Is there any change in that?

Mr. POAGE. There is no change because there is now no way in which your city can share in the use of such a reservoir and there is no way you can put municipal water storage into one of these projects under the present law. In this bill, we specifically provide that the local interest, which would be your city, which needs municipal water, shall bear all of the extra costs that are incident to providing that municipal water.

As I pointed out before I started yielding, the first thing this bill does is to provide that the Federal Government shall bear all of the cost of flood control just as we do for any other program. In the reclamation program the Federal Government bears the cost of flood control. When we build any multipurpose dam in the West, largely for power, the Federal Government bears all of the

costs allocable to flood control. When we build a flood-control dam, the Federal Government bears all of the cost of flood control. We provide here that the Federal Government shall bear all of the cost of flood control.

Let us assume that there are needed 4,000 acre-feet of detention capacity for flood control. The Government would pay that cost. Then let us assume your city wants to put on an addition of say 5,000 acre-feet, for city storage. The city could do that under this bill provided the city would come in and pay all the additional cost, not the basic cost but the additional cost, which will reduce the overall cost per acre-foot. Suppose in that same area you wanted to organize a little reclamation project downstream and you wanted 4,000 acre-feet for that. That would give you a total of 13,000 acre-feet. Your reclamation project would have to pay for the 4,000 acre feet that is uses. Your city would have to pay for the 5,000 acre-feet it proposed to use. Each one of the local projects would have to pay for the additional storage that is provided for its own purpose. The Federal Government would pay only for the flood-control part of the reservoir. In no event could that storage for flood purposes exceed 5,000 acre-feet in any structure.

Mr. SPRINGER. That answers the question.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Dakota.

Mr. LOVRE. It should be pointed out that under the Watershed Protection and Flood Prevention Act, the cost of the right-of-way, easements, and all other expenses, with the exception of the structure itself, is borne by the local organization.

Mr. POAGE. That is right.

Mr. LOVRE. Let me ask the gentleman this question: Under the programs sponsored by the Corps of Engineers as well as under the Bureau of Reclamation, is it not true that the projects are considered Federal, while under this act the projects are considered local?

Mr. POAGE. Yes.

Mr. LOVRE. We ask that the Federal Government contribute in part as much for the local projects as it does for Federal projects where it bears the entire expense.

Mr. POAGE. Yes. The local people have to pay the expense of operating these projects after we get them in operation, whereas if you build them as a Federal project the Government will pay it.

Mr. LOVRE. That is in addition to furnishing the right-of-way and easements?

Mr. POAGE. Yes, and doing all other land treatment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. In reference to the question just asked by the gentleman, is it true this reservoir which provides for 5,000 acre-feet of flood control is still considered as a local project?

Mr. POAGE. Yes.

Mr. BOLAND. This is only a flood control project embracing 5,000 acre-feet of storage. Is that a local project under the terms of the bill?

Mr. POAGE. Let me explain it this way. The only way under this bill you can build any kind of a project is as part of a watershed project. This bill does not provide for the erection of an isolated structure without regard to the other flood prevention needs of the watershed.

This bill only provides for the complete control of a given watershed which must be less than 250,000 acres, because you cannot have a watershed larger than that under the basic law. If, as one part of the control of that watershed, you need a reservoir, a detention reservoir, that reservoir cannot exceed, even under the basic law or under this proposal, 5,000 acre-feet of detention capacity. But, this bill would amend the basic law so that other local interests may come in and join with the watershed project which is itself a local project organized under State law. This bill then would allow other local interests to cooperate with this local interest that is doing the watershed development and to put storage for specific purposes, additional storage, in these reservoirs, but there could be no reservoir constructed simply for municipal purposes or simply for irrigation under this bill. It would have to be incident to a complete watershed development. That is one of the places that this bill so completely differs with some of those we had before, in that this bill affects only those areas where you are trying to develop a watershed as an integrated unit.

Now, I have called your attention to the fact that this bill changes the basis of sharing the cost of the flood-control features. I have called your attention to the fact that it allows the use of these structures for multiple purposes. I should call your attention to the further fact that the bill provides a financing for those multiple purposes that is not in the present law. Under the present general law, if you are building a reclamation project, the Government will finance it for 50 years without interest. Our committee felt that we did not want to go into the interest-free money for this purpose, so we have provided that the local interest can borrow the needed funds from the Federal Government. That will mean your city can borrow if it wanted to put municipal water into one of these reservoirs. It would mean your reclamation project, if you had a little reclamation project down below the dam which wanted to put in 5,000 acre-feet of storage for irrigation. These local groups, cities, or districts could come to the Federal Government to borrow the money necessary to install their part of the dam and could borrow at the going rate of public money, which is roughly 2.5 percent interest. This provision is inserted in order that

the Federal Government would lose no money on these projects. Of course, in a direct reclamation project, the Government actually loses interest for 50 years. In this bill we are not providing that kind of subsidy but only providing what we think is a very effective method of enabling the local interests to participate in a needed program without cost to the Federal Government. We think that is highly desirable and highly necessary to provide a source of credit for the local cities and districts.

There is one technical provision in the bill which I think is important. The original basic law has a proviso that all projects must be reviewed by the governor, by the local State interests, by each of the departments up here: Agriculture, Reclamation, Army, and so forth, and then come down to the Congress and wait here 45 days. We provide in those particular projects where the total cost involved is less than \$250,000 that we waive that long period of review and waiting and let the Secretary of Agriculture pass on the application. The review period is still required on all larger projects, but we think that on those smaller projects, some of them for less than \$10,000, it is rather ridiculous to spend so much time for review.

There is another thing. This bill extends the provisions of the Flood Prevention Act to Puerto Rico, Alaska, and Hawaii. I believe that covers the bill.

Mr. BURLERSON. Mr. Chairman, H. R. 8750, amending the Flood Prevention Act of 1954, is an extremely important measure. It seems to me that anyone who really understands the vital necessity of caring for the land and conserving water would wholeheartedly support this improvement in the original bill, which concept was different from anything yet conceived.

At this point I wish to pay the highest tribute to my colleague, W. R. POAGE of the 11th District of Texas, who had the foresight to devise a plan which has already proved itself in practical operation.

As I have said on numerous occasions, it is the application of a theory of closing the barn door before the horse has fled. It is truly a flood prevention program. It is important to control floods, but it is tremendously more important to prevent those floods before they have swept the living land down to the sea.

Arguments are advanced by some that it is either big dams or small dams. They do not concede that each has its purpose and that one compliments the other.

One of the greatest problems connected with large downstream dams is sedimentation. Smaller dams on the tributaries of the larger streams are, of course, a protection for these very expensive projects. Likewise, the development of the small streams and creeks feeding the larger tributaries of the main stream is a protection for these middle-size dams.

So one is certainly complimentary to the other and all three types are needed if proper conservation is to be accomplished.

In the great southwestern area of this country, if the flow of water can be

slowed down, we will be succeeding to a great extent in preventing erosion.

The 1954 flood-prevention measure was a tremendously important step in the right direction. The pilot projects which have been built under this act are today paying dividends in conservation. Those which are accomplished facts provide a demonstration for all to see what can really be done in an organized effort with assistance from the Federal Government.

However, after the pilot projects had been selected, the present Secretary of Agriculture raised the ante considerably on the landowners. It was thought wise at the time of the passage of the original act in 1954 to leave wide latitude for the discretion of the Secretary of Agriculture. In fact, in the beginning of this program, I think everyone agrees it was necessary that such be done. The requirement later placed on the landowners that they pay approximately 50 percent of the cost, and giving them no credit for previous conservation practices, no credit for easements and rights-of-way, maintenance, and other contributions, has prevented the program from going forward. In the State of Texas we have approximately 100 applications for such projects. About half of them have been approved by the proper State agency, but very few—I believe only 3 or 4—have been finally approved, because local people simply cannot meet the requirements imposed.

Therefore, Mr. Chairman, I repeat, it is extremely important and highly desirable that the provisions of this amendment be adopted in order that the intents of this program may be effective. I would not especially call this amendment to the original act a liberalization of its provisions. It simply recognizes the responsibility of the Federal Government in matters of flood control, in the same manner that it has heretofore done with reference to larger dams. I think it will make it possible for local communities to meet that part of the responsibility which is justly theirs, and that it will pay dividends to the entire country by reason of the soil- and water-conservation features.

Let me say here, Mr. Chairman, that I have never seen greater devotion, energy, and enthusiasm on the part of anyone in a public position than those men of the Conservation Service, whose duty it is to carry out the intents of this program. I have had occasion to see all of them in my particular area, and I am sure that they are no different from those in other localities. They are wholly cooperative and practical in every approach. All those whom I know are highly qualified and dedicated to accomplishing those things intended in this important feature of soil and water conservation. I know that if we can broaden this concept to make possible the purposes intended much good will come of it because it will be in the hands of Soil Conservation people and soil conservation-minded local citizens who will make the most of every dollar invested by the Federal Government. I use the word "invested" because, my friends, it is one of the best possible investments which can be made.

I trust this measure will pass without a dissenting vote, and I believe those of you who are not directly affected, and who may never have such a development in your district, can still take pride in the fact that you exercise sound judgment in preserving not only soil and water, but in preserving the people on the land, and that they might live better.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as has been well said by the gentleman from Texas [Mr. POAGE], this is a logical extension of the original Watershed Protection and Flood Control Act. There are really just two principal changes made in this bill. There are others of a more minor nature. I am going to refer to those two and perhaps discuss some of the minor changes if time permits.

One of these principal changes is that this bill sets up a multipurpose program. The other one is the change with reference to payment of the cost of the structures in flood-control projects.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Kansas [Mr. HOPE] and I had two important objectives in mind when we developed the pilot watershed program, which was the forerunner of the legislation you seek to amend today.

Our first objective, of course, was the treatment of small watersheds for the benefit of local farmers and the people living on the lower reaches of the streams to be treated. Probably no other conservation program in recent years has been so universally accepted by farmers, municipalities, and others as has this pilot program.

The other important objective was to provide, as the name implies, a pilot operation from which we could gain the necessary experience to successfully develop an overall program for the entire Nation.

As I interpret your amendment, you proposed to bring the cost-sharing provisions of the Public Law 566 program into line with the provisions of the pilot program. You are drawing upon our experience under the pilot program in revising this cost-sharing provision, are you not?

Mr. HOPE. That is true in a large part. In addition to that, we are doing what I mentioned a moment ago; we are authorizing multipurpose projects rather than purely flood-control projects.

I am glad the gentleman mentioned the pilot plant projects which have been so successful. Everyone in this country who is interested in water conservation owes him a debt of gratitude for the great part he had in making this program possible.

Mr. H. CARL ANDERSEN. Certainly; the gentleman from Kansas [Mr. HOPE] has been a leader in behalf of agriculture all the years he has served in Congress. The gentleman from Texas [Mr. POAGE] has for a good many years been interested in watershed protection legislation and has been one of the leaders in Congress with respect to

it. He has suggested that after all, if it is fair for the Federal Government to assume the entire cost of the flood control in the program of the Army engineers and the reclamation program, why is it not fair to accord to the watershed protection program, which means so much to the rural communities of America, the same degree of protection? I think the gentleman from Texas was absolutely correct and I wish to compliment him and Mr. HOPE at this time upon bringing this bill before the House.

Mr. HOPE. As the gentleman has well said, this brings the program as far as construction costs of the structure are concerned into line with other flood control programs, whether by the Army engineers or under the reclamation service. Under this bill the cost of that part of the structure that goes to flood control is paid by the Federal Government. This is the only type of project where local people have been asked to share the cost of flood control structures.

This bill is a logical extension of the original Watershed Act which became a law in 1954. The fact that we are back here so soon, you might say, with an extension of that act, shows how rapidly we are moving in the field of water development in this country.

It has been only during the past 4 or 5 years, let me say, that the American people have come to realize the great extent to which we have depleted our water resources. And they are beginning to see the great demands that will be made upon our water resources in the years ahead by our increase in population, by our expanding industrial uses for water, as well as increased household uses. We are consuming tremendously increased quantities of water for all these purposes to say nothing of the expanding use of water for irrigation even in the more humid sections.

I believe anyone who has studied the water question at all must agree and admit that it is one of the most serious problems confronting the country at this time. Many of us who have been working on this legislation believe the only way we are going to solve this great problem of making the wisest and best use of our water is by storing that water in the soil or in small reservoirs near the place where it fell. Of course, some of it will get away and we will have to have larger dams down the streams. Some of it we will want for reclamation. That will be taken care of under reclamation projects large and small. But the nearer we can come to holding this water near the place where it falls the better job we are going to do in conserving our water resources.

That is the purpose of this legislation. It provides for multiple uses of water. There is a general realization that the original act was too limited in providing only for flood control.

It was very apparent soon after the act was passed that people regarded it as being too limited, because we immediately began to get inquiries as to why a small city, for instance, which wanted to put in some water storage could not combine its project with a flood-control project and thus get municipal water.

People were interested in getting water for irrigation and industrial purposes or any of the other multitudinous uses to which we put water in our complex economy of today. So that is one of the important changes we have made in this bill. We have made it a multiple-purpose piece of water legislation.

The the second change is the one that was mentioned particularly and dwelt upon by the distinguished gentleman from Texas [Mr. POAGE], that is, that we are now putting this legislation in the same category as all other flood control legislation in that we are requiring that the Federal Government pay the cost of flood control structures. I said we are putting it in the same category. We are not, however, because if you have a flood control project built by the Army engineers the Federal Government not only pays for the construction, it pays for the site and it pays for the maintenance thereafter of the project. Here the site will be furnished locally, and after the structure is completed the local people must assume the cost of maintaining it. So we have not gone in this legislation as far as the participation of the Federal Government in the cost is concerned as we have in flood control projects of the Army engineers and that reclamation projects which deal in part with flood control. In view of what is being done by other agencies we feel that in all fairness to the people who have to pay the cost of these small flood control projects the Federal Government should at least bear the cost of the structures. That is all we are asking the Federal Government to do.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. May I ask my able colleague from Kansas, who is familiar with the Washita project, this question. The Sandstone and other segments of the Washita River Basin was initially a pilot soil conservation district project wherein the Government paid the entire cost and the local people furnished the right-of-way and land. This was an excellent program. Will this new measure be similar to the 11 pilot projects? One phase of this new program will be similar to that, will it not?

Mr. HOPE. It will be similar to the 11 projects of which the Washita is one. As the gentleman from Minnesota pointed out, it will also be more nearly like the original Pilot Plant Act that we passed a few years ago.

Mr. WICKERSHAM. In Oklahoma many worthwhile soil-conservation projects have been approved by our able Soil Conservation Service and soil conservation district officials. Though there are not sufficient funds under existing programs to put them all on a priority basis, would this permit a number of projects to be approved without limiting the number of needy projects?

Mr. HOPE. There would be no limitation on the number of projects. The only limitation is the amount of money which might be made available.

Mr. WICKERSHAM. I wish to thank the gentleman and compliment him and members of the House Agricultural Committee in pressing for passage of this legislation.

Mr. HOPE. There are, of course, many, many projects which are now going through the mill, both in the States and in the Department of Agriculture. We do not know how large this program may finally become, but the interest in it is tremendous.

Mr. WICKERSHAM. Again permit me to commend the gentleman from Kansas.

Mr. HOPE. I am sure the program will expand, and rapidly, especially if we pass this legislation.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. CHELF. May I say to the gentleman I am very much interested in this legislation. It will go far toward helping our farmers and our local State governments to preserve our water supply and our soil as well. I see something here I would like to have the distinguished gentleman clarify for me. The bill reads:

Such loans shall be repaid in not more than 50 years from the date when principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury—

Suppose you have a Secretary of the Treasury at some future time who is unfriendly. One who is not interested in this program. A Secretary who would like to see an honest and a practical application of the law fail. Suppose he makes the interest rate so high that the local water districts cannot make these loans. What happens in that case? Who determines the interest rate?

Mr. HOPE. The rate is that rate at which the Federal Government is borrowing money. That is what determines the interest rate. It is the interest rate on long-term borrowings by the Federal Government.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. POAGE. The gentleman from Kentucky did not read the entire sentence. It says:

At the average rate of interest, as determined by the Secretary of the Treasury, paid on long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

It becomes simply a ministerial act on the part of the Secretary of the Treasury to make the calculation—that is all he can do—and it is about 2½ percent.

Mr. CHELF. You mean that Congress has no control over the interest rate on this type of loan?

Mr. POAGE. The Congress has the control. We have said it shall be whatever the United States Government is paying for money. In other words, the purpose of it is to see that the United States does not lose money as a result of financing this—yet, we give the money to these localities at the least cost that we can to the Federal Government.

Mr. HOPE. As the gentleman from Texas has so well said, it is a purely ministerial act on the part of the Secretary of the Treasury. The interest which is paid depends on the rate that the United States Government has to pay.

Mr. CHELF. I hope the interest rate is kept low so as to encourage these loans and thereby insure the success of this program. Our farmers and our country need this legislation badly. It will succeed if it is administered fairly and properly.

Mr. HOPE. I am in thorough accord with the gentleman and want to take this occasion to express my appreciation of the great interest he has always taken in watershed problems.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am happy to yield to the gentleman.

Mr. MILLER of Nebraska. Is there any limitation in the bill on the size of the loan? I notice the Department of Agriculture recommends an upper limit of \$5 million on any one project. Does the bill carry any limitation?

Mr. HOPE. We did not put any limitation in the bill as to the amount of the loan, but, of course, the nature of these projects of itself puts a limitation on them. You cannot have a very large loan when it is limited to this type of project. I do not know whether there will be any loans of more than \$5 million or not—there possibly might. The great majority of them will be considerably less than that, in my opinion.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to my colleague on the committee, the gentleman from Indiana.

Mr. HARVEY. A question has been brought to my attention and I am asking this question of the gentleman from Kansas [Mr. HOPE] for the purposes of clarification. The provisions of this amendatory act in addition to the original act itself in no way imposes any unwanted project upon any community. In other words, the initiative and the solicitation for the project must originate in the local community.

Mr. HOPE. I am glad the gentleman brought that up. That is the purpose of the original act and it remains the purpose of this amendment. These are local projects and they are initiated locally and under the control of local people at all times.

Mr. HARVEY. I thank the gentleman.

Mr. JOHNSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JOHNSON of Wisconsin. Is it not a fact that the hearings have brought out that under the original law, Public Law 566, the Department of Agriculture found out that the farmers could not determine what the cost was going to be and, as a result, the projects have been slowed up so they are not going ahead the way we expected them to. We expect now that by the Government sharing the full cost of the dams, they will be

able to give the participating people in the watershed more of an idea what their cost is going to be. Thus there will be more watersheds come under the act.

I believe the hearings brought out also the fact that they are unable to determine what the cost sharing would be until the project was ready for final O. K. by the Department.

Mr. HOPE. Yes. The points which the gentleman makes were all brought out in the course of the hearings. I think each one of us who has been interested in the matter have had situations of that kind called to our attention many times. That is, the local people have some hesitation in going ahead without pretty good knowledge of what their share of the cost will be. To a considerable extent this legislation will help that situation in that it will lessen the burden on the local communities.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. In the last session of Congress we considered a small-projects bill with regard to the reclamation law. That was amended to provide for a program under the Department of Agriculture. It has been tied up in conference, I understand, because of the difficulty of working out a bill for providing for 2 programs in 1 bill. In the opinion of the gentleman this bill tends to specify the program in the Department of Agriculture so that that bill might be considered from the standpoint of the local participating program which will result in substantial savings to the Government.

Mr. HOPE. The gentleman is referring to the small-projects bill passed last year.

Mr. THOMSON of Wyoming. Yes.

Mr. HOPE. Yes. It has been a disturbing thing to the Department of Agriculture to find that they would be compelled to administer two programs, each authorized by a separate piece of legislation, which in a sense, would be competing with each other. This legislation will clarify that matter and I assume in the conference between the two Houses on the small-projects bill the conflicting matter will be eliminated.

I am sorry I have not had time to discuss all phases of this legislation, but those of you who are interested will find them fully and clearly set out in the report.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HILL. Mr. Chairman, H. R. 8750 is important legislation, especially for us of the West. The seven amendments in this bill will make the present Watershed Protection and Flood Control Act more useable and workable. It will provide a program for Federal assistance for conservation, utilization and control of water.

Of the 7 changes offered, the first 2 are the most important:

1. The general scope of the act is broadened to include all aspects of the conservation, development, utilization, and disposal of water—not just the "agricultural phases" of these activities as provided in the present act. This means that such things as

municipal and industrial water supplies may be included as part of a watershed program.

2. Permits the building of dams with a capacity in excess of 5,000 acre-feet if the capacity in excess of that figure is for purposes other than flood prevention and the construction cost of such excess capacity is borne entirely by the local cooperating organizations.

When Assistant Secretary of Agriculture E. L. Peterson testified before our subcommittee—of the Committee on Agriculture—he stated:

A distinguishing feature of watershed projects is that land treatment becomes an early consideration in the management and use of water. It is the objective of these projects to develop and increase the usable water supplies and to begin the controls and management of water on the fields and forests where it first falls as rain or snow.

Developing and making best use of the water supply for irrigation and other productive uses, as well as for flood prevention and drainage, requires a combination of both engineering and land management practices. Water management must be compatible with the management of farms and the needs of urban communities that make up the watershed if we are to meet the increasing demands on water supplies. A dominant consideration in watershed planning is the interrelationship of land and water.

We view the work in small watersheds to be a needed complement to other necessary work on the larger rivers. Where there are direct relationships between upstream and downstream developments they are being taken into account in the planning of watershed projects and in reviews of the work plans by all State and Federal agencies who may have water-resource responsibilities.

We have been encouraged by the acceptance of the provision of the act that watershed projects are to be local projects with assistance from the Federal Government rather than projects planned and built by the Federal Government. We have been pleased with the willingness of watershed communities to assume development and management responsibility, and with the action of State governments to provide enabling legislation that permits local communities to take on these responsibilities.

All of the 48 States have designated State agencies or made other appropriate arrangements to handle the review and approval of applications for assistance under the act. As a part of the process of tooling up to provide for State and local participation in watershed projects, the legislatures of 20 States enacted 37 separate pieces of legislation during the calendar year 1955 to strengthen State and local participation with the Federal Government in carrying out projects under this legislation.

State legislative action since January 1 indicates that additional State legislation, including State financial assistance, is under consideration.

In the past 18 months the Soil Conservation Service has received 438 State-approved applications for assistance under the act. Information from the field indicates that the rate of applications is continuing to increase.

The Soil Conservation Service has to date approved planning in 135 watersheds of those for which applications have been received. All of these approvals have been based on priority recommendations of the State agencies which have the approval responsibility.

A planning organization has been built up, including 38 planning parties in the States. Some 27 plans have been completed in the field and are being reviewed in Washington. Of these, 16 have been transmitted to other Federal agencies and the governors for review in accordance with the provisions of the act, and 8 of the plans have been transmit-

ted to the Bureau of the Budget for consideration in connection with their transmission to the Congress.

Water is our most important natural resource. We should develop our watersheds, cultivate and expand them, as well as protect our soil from constant erosion by damaging floodwater. This legislation points in that direction.

Mr. DORN of South Carolina. Mr. Chairman, this is a very important matter. I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 30]

Addonizio	Garmatz	Morano
Allen, Calif.	Gary	Morgan
Allen, Ill.	Gavin	Moulder
Ayres	Granahan	Mumma
Bailey	Grant	O'Hara, Minn.
Barden	Green, Oreg.	O'Neill
Barrett	Green, Pa.	Osmer
Bass, Tenn.	Gubser	Philbin
Baumhart	Haley	Phillips
Betts	Healey	Pilcher
Blatnik	Hébert	Pillion
Bowler	Hess	Powell
Boykin	Hiestand	Quigley
Bush	Hillings	Reed, N. Y.
Byrne, Pa.	Hoffman, Ill.	Rhodes, Pa.
Byrnes, Wis.	Holland	Riehlman
Carlyle	Jackson	Saylor
Carrigg	James	Scherer
Chatham	Jenkins	Scott
Chiperfield	Jensen	Sheehan
Clark	Johnson, Calif.	Shelley
Cole	Kearns	Sieminski
Cooley	Kee	Sikes
Corbett	Kelley, Pa.	Simpson, Pa.
Coudert	Kelly, N. Y.	Spence
Cretella	Keogh	Staggers
Dague	Kilburn	Taylor
Davis, Tenn.	King, Pa.	Thompson, Tex.
Davis, Wis.	Knox	Vanik
Dingell	Lankford	Van Zandt
Donovan	Lathan	Walter
Doyle	McConnell	Watts
Durham	McCulloch	Widnall
Eberharter	McDowell	Wier
Fenton	Macdonald	Williams, N. J.
Flood	Machrowicz	Williams, N. Y.
Fogarty	Matthews	Wilson, Ind.
Forand	Marrow	Wolcott
Fountain	Miller, Calif.	Zelenko
Fulton	Miller, N. Y.	
Gamble	Mollohan	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8750, and finding itself without a quorum, he had directed the roll to be called, when 299 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MATTHEWS. Mr. Chairman, I wish to express my deep interest in H. R. 8750, which is the result of legislation our Committee on Agriculture began working on this past year.

I believe this legislation will help our farmers get irrigation, which they so badly need. In several of the counties in my Eighth District of Florida, drought conditions have been fought by many of our farmers for the past few years, and I am hopeful that H. R. 8750 will offer them the assistance they need to cope with this problem.

I certainly hope this important legislation, H. R. 8750, as reported by our Committee on Agriculture, will pass.

Mr. LANE. Mr. Chairman, the problems of water, ranging from lack of it to sudden excess, has had a major influence on the life of man from the very beginning of his life on this globe.

In our time, we have been inclined to take this element for granted, thinking that our nature had become our docile servant.

The storms and droughts and floods of recent years have cured us of this superiority, for the cost has been enormous.

As we now come to grips with the problem, we become aware of contradictions in such Federal laws as we have that deal with the overall question of water. Unfortunately, we have approached the problem in piecemeal fashion, without having a complete and unified policy.

H. R. 8750, helps to correct some of these shortcomings.

Most people associate water control with agriculture, the Mississippi and the West, big dams and large projects.

Yet, in recent years, the East and the Far West have suffered the most disastrous floods.

Somehow, people do not think of municipal and industrial water supplies as part of a watershed program.

When they should be, for you very well cannot have one without the other.

At this time, I want to pay tribute to the Army engineers for the fine work they have done on flood control, extending back into the last century. The engineers have had to cope with big problems. Perhaps they have not had the time nor the means to take care of the smaller ones. At any rate, as we in New England have learned, floods seem to come out of nowhere. And preventive measures seem to bog down in endless red tape.

We in New England need the smaller dams to give us protection.

We need a tie-in that would enable municipalities to increase the size of their water supply reservoirs to provide at the same time a measure of flood control. This has been restricted by the limitation on the size of authorized impoundments.

The committee considers that the Secretary should not provide for any part of the construction costs allocated to municipal and industrial water supply or other similar purposes. Municipalities will, however, benefit in many instances through cheaper storage resulting from a combination of flood prevention and water supply capacity in the same structure. Moreover, municipalities would be eligible for a loan under the new loan provisions of the bill.

Furthermore, the amendment to section 4 provides:

That the Secretary shall not require local organizations to assume any part of the

construction cost of structural measures applicable to flood prevention.

The amendments would also permit planning of a structure providing more than 5,000 acre-feet of total capacity but only if the structure is, first, an integral part of the watershed plan; second, the capacity in excess of 5,000 acre-feet is for other than flood-prevention purposes; and, third, the construction cost of the excess capacity is to be borne by the local organization.

The emphasis, rightly, is toward a total watershed plan.

We cannot isolate and deal with one factor of the water problem, and ignore the rest.

We must have a multiple-purpose water and land-management program instead of one that is limited to flood-prevention and agricultural water management.

This is the final objective.

H. R. 8750 will help us to make further progress toward that end.

I may have certain misgivings that this bill does not go far enough, and in time, but I am going to support it because it is a step forward.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I am in favor of H. R. 8750. It is only logical that I shall vote for H. R. 8750 because it is identical to my bill H. R. 8738.

Before I discuss a few of the specific merits and provisions of the bill, I should like to make a general observation with respect to soil and water conservation programs. The general observation sums up my philosophy on this matter.

It is my belief that every citizen—regardless of whether he lives in a city, a village, a suburban area or on the farm—has a vital stake in the conservation of our soil and water resources. If we did not have enough fertile soil, adequate water supplies, efficient farmers and a good system of distribution the majority of people—living in cities, villages, and suburban areas—would not have enough food to meet their daily living requirements.

For this reason, then, I believe every citizen-taxpayer must share—through Federal aid programs—in the cost of conserving our soil and water resources. Farmers, alone, cannot pay for the costs of maintaining the soil; and we should not expect farmers to do so.

The bill now before the House recognizes this principle, and there are provisions in the bill to correct certain inequities that have held back programs extending and promoting soil and water conservation practices designed to improve the general welfare of all people.

I know that there are a number of watershed associations in the Ninth Wisconsin Congressional District whose members—as individuals—have gone as far as they can financially go in water and soil conservation programs. The members of these watershed associations are willing to do conservation work on their farms; but they cannot afford to pay for the cost of flood control dams. I am sure that there are many, many other regions in the country where the same situation prevails.

Under provisions of the present law the cost of flood prevention dams is shared

equitably by the Federal, State, and local agencies in proportion to benefits received. H. R. 8750 amends the law so that the cost of flood prevention dams is borne by the Federal Government.

The bill also eliminates from the present law the necessity of submitting to Congress and to the President detailed plans and justification for smaller projects—that is projects involving a Federal expenditure of less than \$250,000.

H. R. 8750 permits the building of dams in excess of 5,000-acre feet if the capacity in excess of this figure is for purposes other than flood prevention. The construction cost of such excess capacity is borne entirely by local cooperating agencies. This provision makes it possible for communities, villages, and cities to participate with the Federal Government in planning and constructing multiple purpose projects.

The bill also provides for long-term loans at the Federal Government rate of interest to local organizations for the purpose of financing their share of the cost of programs.

In closing, I wish to say that the bill provides three different levels of cost sharing of projects. In the first level the Federal Government will bear the full cost of flood prevention. This feature will be of particular benefit to farmers who belong to watershed associations.

Under the second level the Federal Government and local agencies will share the cost of storage of water for irrigation, streamflow regulation, drainage and other similar purposes.

Finally, there are projects where the Federal Government will bear no part of the structural costs. These projects include structures for the storage and supply of municipal and industrial water.

Mr. LOVRE. Mr. Chairman, I want to speak in support of this bill that is before us. The Watershed Protection and Flood Prevention Act was signed into law about a year and a half ago. The fundamental principle of that law is very simple and very American. It provides for Federal aid to local organizations in carrying out their own locally initiated and executed programs of watershed protection and flood prevention.

The amendments that we are considering are essential to make this principle fully operative. This watershed work is a program through which the Government gives a helping hand to local communities. It is a partnership operation, so to speak, with the local community playing the role of senior partner. And that is the way I think it should be. That is the way the people of South Dakota think it should be.

Experience gained in watershed work during the past year and a half has demonstrated the need for these proposed changes. The local organizations should be able to obtain help for, and to include in their watershed plans all types of improvement for better soil and water management.

These amendments, too, will make for more equitable cost-sharing arrangements. When the local people pay for applying the necessary soil and water conservation measures on their farms; when they supply the land, easements, and rights-of-way for structures; when

they contract for all structures and guarantee their operation and maintenance; they have certainly done their share. The least the Federal Government should do is pay the cost of construction for the flood-prevention structural measures that provide community benefits. The truth is that the national benefit resulting from the work that farmers are doing to conserve and improve the lands of this Nation for our children and grandchildren more than offset such Federal contribution to construction costs.

We are all fully aware that the farmers of this Nation are today the least able of all its citizens to take on additional financial burdens.

Another fact that we should keep constantly before us is that water is becoming more and more the basic limiting factor in agriculture and our entire national economy. Water is the key to future progress. Water conservation is growing in importance by leaps and bounds. Here is a program that offers vast opportunities for actually doing something about the water situation in local communities. It brings the water element into balance with the soil element in our going soil- and water-conservation program in America.

I should like to point out, too, that watershed work that will be made possible by these amendments will be especially helpful in advancing the conservation programs of soil-conservation districts throughout the country.

In South Dakota farmers have organized 66 soil-conservation districts. These districts are managed by locally elected, dedicated people. Through these districts farmers are moving forward in putting sound soil and water conservation into practice on their land. These amendments will make help in watershed protection and flood prevention more readily available to the districts for tackling water management problems that involve a number of farms or whole communities. In the applications received so far over at the Department of Agriculture, I think it is highly significant that in practically every instance a soil-conservation district is one of the local sponsoring organizations of watershed projects.

These proposed amendments to the Watershed Protection and Flood Prevention Act can make a substantial and significant contribution to speeding up soil and water work in South Dakota and all of the United States.

Our soil and water conservation is good and effective. What we need is to get on faster with the work. This bill will help in that respect. I urge that the House go on record as passing H. R. 8750 by a unanimous vote.

Mrs. BLITCH. Mr. Chairman, in 1954 when the full force of the worst drought within the past 30 or 40 years struck Georgia, we in the Southeast who normally enjoy such a generous annual rainfall, came to realize the urgent need for small watershed projects. At that time, there was pending in the Congress an act which came to be known as Public Law 566. Press notices from the Nation's Capital to the effect that this bill had passed met with a great deal of jubi-

lation among the farmers, sportsmen, and municipal officials of the Eighth Congressional District of Georgia.

The Satilla Soil Conservation Agency, which covers several counties in my district, sponsored a meeting which led to the formation of the Satilla Watershed Corp. This became the parent organization of many prospective small watershed groups. It was not long before these groups had a rude awakening. They found out that under the provisions of Public Law 566, there was little which would benefit them. Coming from a large rural district that is blessed with many streams, most of which have been running almost dry during the past several years, and being a farmer myself, I, too, was greatly disappointed and distressed over the futility of trying to obtain watershed help from the Federal Government under the provisions of Public Law 566. Therefore, when I came to Congress the first order of business with me was to attempt to get something done which would relieve this terrible situation. I introduced, last year, an amendment to Public Law 566. It was a simple amendment, but it called for the removal of the limitation of all other projects except flood control which was the crux of the problem of Public Law 566. The gentleman from Texas [Mr. POAGE], who is chairman of the Commodity and Credit Subcommittee of the Agriculture Committee, very generously granted my request for public hearings on my amendment. I had not realized, Mr. Chairman, the tremendous fight that those who have been on the Agriculture Committee for a long time had been making to provide a really beneficial watershed program for the people of this country until I attended all the public hearings on my bill, participated in them, heard all the testimony and read all the committee hearings which had been held on Public Law 566 during 1954.

Right now, Mr. Chairman, I want to pay high tribute to the gentleman from Texas [Mr. POAGE] and the gentleman from Kansas [Mr. HOPE] and many others of the Agriculture Committee for the fight they have been making on this program for a long time, and I want to thank them for their generosity in giving me such a sympathetic reception to the problem that faced not only all my particular district, but the entire United States. While these hearings were going on, I learned, too, that there were others intensely interested in this problem. Congressman JONES of Alabama introduced a small watershed bill; Congressman ENGLE, of California, introduced a small water projects bill. The problems of the reclamation States and the rest of the Nation are somewhat different. Nevertheless the gentleman from California [Mr. ENGLE] with great generosity I thought, accepted the provisions of Mr. JONES' bill in his own small water projects bill, and while the result—because the bill would have had to be administered partially by the Secretary of the Interior and the Secretary of Agriculture—was rather confusing. Nevertheless, the Members of this House felt the need for such legislation and I joined with them in passing it.

The bill went to the Senate and was rewritten into two parts; title 1 dealt with Mr. ENGLE's bill and was to be administered by the Secretary of the Interior, and title 2 of the Senate bill dealt with Mr. JONES' bill and was to be administered by the Secretary of Agriculture. However, that bill has lain in conference committee since last year, and it has been impossible to get it out. I believe, Mr. Chairman, that if the House passes the small watershed bill we have before us today, the impasse in the conference committee will be resolved. It is certainly my hope that the small watershed bill will pass this House today, and the Senate will pass it, and I certainly hope that Mr. ENGLE's bill then can come out of the conference committee free of the provisions that were put in to relieve all the other States outside the reclamation States.

Within the past 25 years our country has made amazing strides in the conservation of its soil. It has taken us some time to realize that water is our most precious asset, and that it, too, must be conserved to the very best of the ability of our citizens. With the great increases in population and the giant increase in industry, the need for water has outgrown by far the expectations anyone could have had even just a few years ago, and so it becomes extremely pertinent that the enactment of Federal legislation for this purpose take place as quickly as possible.

Last year, Mr. Chairman, the hearings on the bill I offered were not concluded until close to the end of the session. By that time the Agriculture Committee members and I, myself, realized that the bill I had offered was not comprehensive enough. While it opened up in a general way the possibilities for all types of water conservation within the small watershed projects, these were not spelled out. Upon consultation with experts from the Department of Agriculture and the members of the Agriculture Committee, we all agreed that a new bill should be written and that we did not have time in the remaining days of the session to do this. We agreed that the committee and the staff acting with the advice of others very close to the problems faced by the country on water conservation should then draw a bill that would be offered at the beginning of the present session. The bill we are considering today is the result of a year's work. It goes far beyond my highest expectations in providing a really workable small watershed program. In the first place, the Federal Government will, under this bill as it has heretofore done in all other legislation relating to the subject, bear the full costs of each project insofar as it relates to flood control. I submit that this is the only fair thing that could have been done.

The bill goes further than helping the farmer. It brings in municipal groups, wildlife organizations, recreation groups, and industry. It is really, Mr. Chairman, a multipurpose small watershed projects bill. For the first time to my knowledge, the Congress has an opportunity to consider legislation that is truly comprehensive in this field. We include in this bill a lending program. While

the flood-control project, which is to be paid for in full by the Federal Government, is limited to 5,000 acre-feet there is no limit up to the sum of \$5 million as to what each project can include. The various groups participating in this project can obtain loans at a low interest rate for a period of 50 years to carry out the purposes of the bill. Because so many projects will amount to comparatively small sums, any amount up to \$250,000 can be borrowed from the Government without congressional approval. This is a most important aspect of the bill, because it makes it extremely workable.

Farmers and all groups must practice soil-conservation measures under this bill. It is going to be possible now, after this bill has been enacted into law, for all farmers participating in these small watershed projects to have irrigation, a need that is more poignantly recognized each year by our farmers. We now know that it is highly foolish to practice water conservation without accompanying soil-conservation measures. Water, insofar as it is possible, should be held on the ground where it falls.

I think this is extremely important, and even in sections of the country that are blessed with abundant rainfall there is no control over when the rain will fall, and oftentimes there may be weeks or even months of drought, when irrigation could save a crop. The farmers need not only rainfall. They need water at the proper time to get the most out of crops that they raise. Cities can participate in these projects, for municipal water supply and for water-purification purposes. Recreation groups can use the pools or reservoirs that are created by the backing up of water, and they can become marvelous community projects for young and old by providing all water sports and fishing facilities. All of us know that there is need for conserving water as never before, and that we should put it to as many uses as we possibly can.

One thing I would like particularly to point out is the fact that drainage is defined as a part of the flood-control project. This makes sense to the flatland regions of our Nation because while we do not have floods in the same drastic manner as come in some of the hilly sections of the Nation, we do have the problem of water overflowing the banks of streams and standing there for long periods of time. This tends to make the lowest part of our croplands, which are incidentally usually the most fertile, almost impossible to cultivate. In my section of the country softwood trees grow in prolific abundance. The constant settling of water in many areas kills off the seedlings of the softwoods which are of great economic value to us, and leaves the land barren.

I want to point out another thing which has happened since the adjournment of the Congress last year. We have had some of the most disastrous floods in the history of the country, in New England, California, and other places. If this bill had been in operation and small-watershed projects had been in existence, millions and millions of dollars would have been saved, not to mention the lives that were lost in those

floods. I know of no real opposition to this bill, Mr. Chairman. I firmly believe that the House will pass it.

Mr. Chairman, this is the first bill I have ever introduced to reach the floor of the House. I am grateful for the sympathetic consideration it has received from the membership at large. I am grateful that the gentleman from Texas [Mr. POAGE] and the gentleman from Kansas [Mr. HOPE] and others thought so much of this bill that they introduced it, too. I am proud that the nature of the bill is such that the great majority of the membership sees and believes in its need.

Mr. HOPE. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I want to go on record as favoring this bill very much. Again I wish to compliment the committee on bringing into line with the Army engineers' great work and with that of Reclamation the same rights for our small watersheds throughout the Nation relative to the Federal Government's assuming the cost of the actual flood control features.

The gentleman from Texas [Mr. POAGE] and others who have introduced these amendments to Public Law 566 are to be commended for their alertness to the need for further refining this basic legislation.

We have, as we had hoped, learned many things from the Andersen-Hope pilot watershed program. In starting that program we were responding to a prime agricultural need, and experience has already shown that benefits to agriculture alone far exceed the actual costs of the projects going forward under the pilot operation. As an intentional by-product of this program, we have gained priceless knowledge of the collateral benefits to the people living in the cities and villages downstream.

On other farm legislation we have had the unfortunate situation in which unthinking people or those motivated by selfish desires to see their individual views prevail have attempted to divide farm and nonfarm people. It is no credit to them that they have been highly successful in their efforts, and as a result we find the metropolitan press raising a great outcry against farm legislation in general.

Under the pilot watershed program, however, we have an agricultural undertaking which has been warmly endorsed and, in some instances, actually fostered by nonfarm people. My own Seventh Congressional District of Minnesota is an excellent example.

In southwestern Minnesota we have a relatively flat terrain in which water disposal is about as serious a problem as water retention. The pilot program takes into consideration the basic understanding that flood prevention is as much a part of watershed treatment as the effective utilization of rainfall on crop and rangeland.

We have already seen dramatic results from the pilot projects in our area. Beginning on the land where the water first falls, our farmers, with the guidance

and technical assistance provided by the soil-conservation districts, have applied land treatment and conservation practices which provide maximum retention and utilization of the rainfall. A significant part of the water which formerly rushed downstream to flood farmland and villages alike is now kept right where it falls.

In seasonal periods of heavy precipitation, however, we find more water falling than could possibly or desirably be kept in the soil itself. This brings us to the second important phase of the pilot operation in our area. With local cooperation in the form of easements, reservoir sites, and so forth, the Soil Conservation Service steps in and constructs dams and water-retarding structures to either hold the water indefinitely or restrict it temporarily and then release it at a controlled rate which will avoid costly flooding below. With the exception of flood prevention on downstream farmland, these structures are for the primary benefit of city dwellers and municipalities.

The third important phase of the pilot watershed treatment applies to the ditches and streams themselves. These are cleaned out, channelized, and otherwise physically treated so that they can carry away the determined amount of water during peak seasons without flooding the lower reaches. This work is also of great benefit to the nonfarm people downstream.

In the watershed areas our municipalities have three major problems involving water. First, they have the problem of seasonal floods which do great damage to private and public property, risk lives, and depress commerce. Second, they have the physical and sanitation problem of sewage disposal when their sewage plants are inundated by flood waters. Third, they have the ever-increasing problem of maintaining adequate water supplies for public use.

Personally, I believe the pilot program has exceeded expectations in meeting all three of these nonfarm problems. On this matter of floods, we find that upstream treatments have been highly successful in preventing downstream floods. City residents who had come to look upon seasonal floods as almost a way of life now see the ending of this menace to life and property. It is not at all remarkable that they have become so enthusiastic about the watershed program. They, too, share in very large measure in its benefits.

During flood seasons, I have made on-the-spot inspections of municipal sewage systems which have been inundated by floodwaters. The effects of such inundation were shocking, to say the least. With sewage disposal plants knocked out and raw sewage entering the streams, a serious threat to health was presented. You can well imagine the difficulties facing householders with their disposal system shut down. Prevention of such conditions by the flood-control measures of the watershed program naturally merits high approval from city residents and municipal officials.

Municipal and individual water supply problems are mounting rapidly through-

out most of the Nation. Here, again, we see material benefits for nonfarm people in this program. Communities depending upon wells for their water supplies have had them shut down and all but destroyed by ravaging floods and sewage contamination. Additionally, as the water tables have fallen they have had to drill new wells and deepen the old. Today, we are eliminating the flood threats and raising the water tables in many areas of short supply.

The amendments before us will do even more to meet this problem of short municipal and industrial water supplies. The bill provides that municipalities may develop primary or supplementary water supplies by merely paying the additional costs on reservoirs above 5,000 acre-feet of flood-prevention capacity. This additional feature of the watershed program will be of tremendous benefit to water-starved communities in many areas. Again, we have an excellent example of the immediate benefit of a vital farm program to nonfarm people.

The Anderson-Hope pilot watershed program, which had its inception in my Subcommittee on Appropriations for Agriculture while I was chairman, has opened up a new era of mutual helpfulness and cooperation between farm and nonfarm people. It has given us invaluable experience and technical know-how for application on other watersheds throughout the Nation. It has borne the burden of pioneering and has advanced the cause of conservation and flood control immeasurably.

Mr. Chairman, as the gentleman from Kansas [Mr. HOPE] has well stated, we have here a program which has been enthusiastically received by the Nation. The Anderson-Hope pilot-plant program and the Watershed Protection Act which followed have already done much good for conservation in America.

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Watershed Protection and Flood Prevention Act (act of August 4, 1954, 68 Stat. 666) is amended as follows:

(a) Strike out the third sentence of section 2 and amend the second sentence of said section to read: " 'Works of improvement'—any undertaking for—

"(1) flood prevention (including structural and land treatment measures); or

"(2) the conservation, development, utilization, and disposal of water in watershed or subwatershed areas not exceeding 250,000 acres and not including any single structure which provides more than 5,000 acre-feet of total capacity except structures proposed to be constructed by a local organization as an integral part of a watershed plan in which any capacity in excess of 5,000 acre-feet is for purposes other than flood prevention and the construction cost of such excess capacity is to be borne entirely by the local organization."

(b) Section 4 of the act is amended by striking out of the proviso in paragraph (2) the words "That no part of the construction

cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this act;" and inserting "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention."

(c) Section 5 of the act is amended—
 (1) by striking out in the first proviso "and in no event after July 1, 1956";
 (2) by inserting after the word "That" in the third proviso "whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000,"; and
 (3) by inserting in the fourth proviso after the words "That any such plan" the words "involving an estimated Federal contribution to construction costs in excess of \$250,000."

(d) Said act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the act to conform:

"Sec. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this act. Such loans shall be repaid in not more than 50 years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

"Sec. 9. The provisions of this act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

With the following committee amendments:

Page 2, line 19, strike out the period and insert a semicolon.

Page 3, line 2, strike out the comma.

Page 3, line 6, after the sum, insert "and after the words 'public or other lands' the words 'or wildlife'."

The committee amendments were agreed to.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union reported that the Committee, having had under consideration the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, pursuant to House Resolution 443, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

STATES RIGHTS

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. VINSON] is recognized for 60 minutes.

(Mr. VINSON asked and was given permission to revise and extend his remarks.)

Mr. VINSON. Mr. Speaker, the greatness of America can be directly attributed to the wisdom and foresight of those brilliant men who guided the formation of the Union during the Revolutionary War and shortly thereafter.

Farsighted men gave us a Constitution in order to form a more perfect union, but the Thirteen Sovereign States ceded to the Federal Government only those powers that are necessary and desirable for the good of all of the States. They carefully preserved to the several States all the powers not specifically granted to the Federal Government. Those farsighted men were wise beyond their generation. Their wisdom was born of the hard experiences of colonists revolting finally against a foreign master.

They had tested the bitter lesson of a central government arrogating to itself the liberties of free men. And by force of arms they threw off that yoke, declaring that these colonies were, and of right ought to be, free, and independent. They did not intend that another sovereign alien power nor an all-powerful Federal entity should take over from these independent and sovereign States the victory which they had so dearly purchased.

That is why they measured out with such care and safeguards the only powers which they would cede to the Federal Union; they reserved all others to the States and to the people.

Why was our Constitution written in such a manner as to delegate specific powers to the Federal Government? And why did the 10th amendment specifically state that "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people"?

To quote the Supreme Court of the United States, of a bygone day:

This amendment * * * disclosed the widespread fear that the National Government might, under the pressure of a supposed general welfare, attempt to exercise powers which had not been granted. With equal determination, the framers intended that no such assumption should ever find justification in the organic act, and that if in the future further powers seemed necessary they should be granted by the people in the manner they had provided for amending that act.¹

Some outstanding Americans have expressed considerable concern over the assumption of powers reserved to the States. For example, I quote from a great American who stated on October 14, 1952, in New Orleans:

First, I deplore and I will always resist Federal encroachment upon rights and affairs of the States.

Second, I am gravely concerned over the threats to the States inherent in the growth of this power-hungry movement.

This same eminent gentleman, on October 14, 1952, at Houston, Tex., stated:

America was built by a robust and vigorous people. They operated first through the original States and then through a balance of State and Federal powers. That balance was designed to keep as much of the Government as close to the people as possible—no nation of free men was ever built from the top down—that system of government has served us well for 160 years—that system is one in which States have a vital part. The preservation of local order, elbow room to produce and build, protection of our titles to land, the sacredness of our homes from intrusion, our right to get the best schooling for our children—we were secured these basic freedoms in the first instance by our State, our country and our own home town. These are primarily affairs for logical (local) administration. We must keep them so. Otherwise an all-powerful Washington bureaucracy will rob us one by one of the whole bundle of our liberties—We must preserve and protect this matchless system of States united.

And, at another time, this same gentleman said:

I want to see maintained the constitutional relationships between the Federal and State Governments. * * * For, if the States lose their meaning, our entire system of Government loses its meaning. And the next step is the rise of the centralized, national state in which the seeds of autocracy can take root and grow. * * * We will see that the legitimate rights of the States and local communities are respected. * * * We will not reach into the States and take from them their powers and responsibilities to serve their citizens.

Now lest I be accused of being partisan in my approach, let me say that the very famous American whom I have just quoted is the President of the United States, Dwight D. Eisenhower.

And let me quote from another source. Let me read from the Republican platform of 1860:

The maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depends.

On July 16, 1929, another famous American, then speaking as Governor of a great State, said:

Our Nation has been a successful experiment in democratic government, because the individual States have waived in only a few instances, their sovereign rights. * * * But there is a tendency, and to my mind a dangerous tendency, on the part of our national Government, to encroach, on one excuse or another, more and more upon State supremacy.

And again in 1930, this same outstanding American stated:

The proper relations between the Government of the United States and the governments of the separate States thereof depend entirely, in their legal aspects, on what powers have been voluntarily ceded to the central government by the States themselves.

Now, Mr. Speaker, the gentleman I have just quoted was, of course, one of our greatest Presidents, Franklin Delano Roosevelt.

¹ *Kansas v. Colorado* (2-6 U. S. 46 (1907)).

H. R. 8750

AN ACT

AN ACT

To amend the Federal Education and Social Security Act.

1. That the Secretary of the Department of Education

2. That the Secretary of the Department of Education

3. That the Secretary of the Department of Education

4. That the Secretary of the Department of Education

84TH CONGRESS
2D SESSION

H. R. 8750

IN THE SENATE OF THE UNITED STATES

APRIL 25 (legislative day, APRIL 24), 1956

Read twice and referred to the Committee on Public Works

AN ACT

To amend the Watershed Protection and Flood Prevention Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Watershed Protection and Flood Prevention Act
4 (Act of August 4, 1954, 68 Stat. 666) is amended as
5 follows:

6 (a) Strike out the third sentence of section 2 and
7 amend the second sentence of said section to read: “ ‘Works
8 of improvement’—any undertaking for—

9 “(1) flood prevention (including structural and land
10 treatment measures) ; or

11 “(2) the conservation, development, utilization,
12 and disposal of water in watershed or subwatershed areas

1 not exceeding two hundred and fifty thousand acres and
2 not including any single structure which provides more
3 than five thousand acre-feet of total capacity except
4 structures proposed to be constructed by a local organi-
5 zation as an integral part of a watershed plan in which
6 any capacity in excess of five thousand acre-feet is for
7 purposes other than flood prevention and the construction
8 cost of such excess capacity is to be borne entirely by the
9 local organization."

10 (b) Section 4 of the Act is amended by striking out of
11 the proviso in paragraph (2) the words "That no part of
12 the construction cost for providing any capacity in structures
13 for purposes other than flood prevention and features related
14 thereto shall be borne by the Federal Government under the
15 provisions of this Act;" and inserting "That the Secretary
16 shall not require local organizations to assume any part of
17 the construction cost of structural measures applicable to
18 flood prevention;"

19 (c) Section 5 of the Act is amended—

20 (1) by striking out in the first proviso " , and in no
21 event after July 1, 1956";

22 (2) by inserting after the word "That" in the third
23 proviso " , whenever the estimated Federal contribution
24 to the construction cost of works of improvement in any
25 watershed or subwatershed area shall exceed
26 \$250,000"; and

(3) by inserting in the fourth proviso after the words "That any such plan" the words "involving an estimated Federal contribution to construction costs in excess of \$250,000" and after the words "public or other lands" the words "or wildlife".

(d) Said Act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the Act to conform:

"SEC. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

Passed the House of Representatives April 24, 1956.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS
2D Session

H. R. 8750

AN ACT

To amend the Watershed Protection and Flood
Prevention Act.

APRIL 25 (legislative day, APRIL 24), 1956

Read twice and referred to the Committee on
Public Works

July 16, 1956

- World Trade Fair to be held in New York from April 14-27, 1957. p. 11726
14. MILK IMPORTS. Passed as reported H. R. 609, to extend the provisions of the Federal Import Milk Act to Alaska, Hawaii, and Puerto Rico. p. 11728
15. FOOD AND DRUG. Passed as reported H. R. 9547, to amend and simplify certain procedures in hearings relative to the administration of the Federal Food, Drug, and Cosmetic Act. p. 11739
16. FLOOD CONTROL. Passed without amendment S. 1358, to authorize modifications of the flood-control project for the Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Neb. p. 11743
Received from the Budget Bureau a letter transmitting certain plans for works of improvement pursuant to Sec. 5 of the Watershed Protection and Flood Prevention Act; to the Agriculture Committee. p. 11795
17. WATER SUPPLY. Passed over, at the request of Rep. Dondero, S. 2374, to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood control and river and harbor projects. p. 11743
18. LANDS. The Interior and Insular Affairs Committee ordered reported H. R. 12185, to provide that withdrawals or reservations of more than 5,000 acres of public lands of the U. S. for certain purposes shall not become effective until approved by act of Congress. p. D810
Passed without amendment H. R. 11696, to authorize the conveyance of homestead allotments to Indians, Aleuts, or Eskimos in Alaska. p. 11728
Passed without amendment S. 1384, to provide for the reconveyance of all mineral interests in lands acquired by the U. S. for certain reservoir projects to former owners. This bill is now ready for the President. A similar bill, H. R. 11879, was laid on the table. p. 11731
19. ATOMIC ENERGY. As reported from the Joint Committee on Atomic Energy, S. 4203 and H. R. 12215 contain the following items of particular interest to this Department: Provide that the AEC may make grants to colleges and universities for reactors, including food sterilization reactors, and provide for the transfer of administrative control over certain lands in the Santa Fe National Forest from the Forest Service to the AEC.

SENATE

20. APPROPRIATIONS. The Appropriations Committee reported with amendments: H.R. 12130, the mutual security appropriation bill for 1957 (S. Rept. 2579); and H.R. 12138, the supplemental appropriation bill for 1957 (S. Rept. 2580). p. 11597
Passed with amendments H. R. 12138, the supplemental appropriation bill for 1957 (p. 11633). Agreed to amendments by Sen. Hayden, on behalf of the Committee, to provide 2,500,000 for eradication of the Mediterranean fruitfly (P. 11637); and by Sen. Johnson to provide \$50,000 to install an elevator in a Government building in Anderson, S. C. (P. 11638). Conferees were appointed (P. 11638). (For other items of interest see Digest 119).
Received from the President a supplemental appropriation estimate for the fiscal year 1957 (S. Doc. 140) in the amount of \$2,500,000 for "Salaries and expenses, Agricultural Research Service" to provide additional funds to finance the Mediterranean fruitfly eradication program (see Hayden amendment above). As submitted to Congress, the language would have provided authority for the Secretary to transfer to this appropriation from other appropriations or funds available to the Department such sums as he may deem necessary for the eradication of the Mediterranean fruitfly. p. 11598

21. **WATERSHEDS.** The Public Works Committee reported with amendment H. R. 8750, to amend the Watershed Protection and Flood Prevention Act (S. Rept. 2585).
p. 11598
22. **VETERANS; FARM LOANS.** Passed as reported H. R. 9260, to extend the provisions of title III of the Servicemen's Readjustment Act of 1944 for 1 year until July 25, 1958. p. 11618
23. **FORESTRY.** Passed without amendment H. R. 9339, to authorize the exchange of certain lands of the U. S. in Union Co., Ga., for lands within the Chattahoochee National Forest, Ga. This bill is now ready for the President. p. 11619
Passed as reported S. 2216, to amend the act of March 4, 1915, to permit the use and occupancy of national forest lands for industrial and commercial purposes, and by States or political subdivisions for constructing facilities for education or other public uses. p. 11619
Passed as reported S. 3133, to provide for the transfer of a Forest Service lot and building to the city of Boise, Idaho. p. 11619
Agreed to the conference report on H. R. 6376, to provide for the hospitalization and care of the mentally ill in Alaska, including a grant of not to exceed 1 million acres of public lands (includes lands eliminated from the national forests). p. 11640
Passed without amendment H. R. 9451, to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for these Indians (these lands were formerly USDA submarginal lands transferred to Interior). This bill will now be sent to the President. p. 11625
The Interior and Insular Affairs Committee reported with amendment S. 3787 relating to the management of the Red Lake Indian Forest and sawmill (S. Rept. 2584). p. 11598
Passed over at the request of Sen. Purtell S. 4059, providing for a forest products price reporting and research program. p. 11619
24. **PROPERTY; LANDS.** Passed with amendment H. R. 7723, to authorize the Secretary of Agriculture to convey certain lands in Phillips Co., Mo., to the Chamber of Commerce of Rolla, Mo. p. 11620
Passed without amendment S. 4058, to authorize the Secretary of Agriculture to extend and renew to the Chicago, Milwaukee, St. Paul & Pacific Railroad Co. for the term of 10 years a lease of a tract of land in the Livestock Experiment Station in Mont. p. 11631
Passed with amendment H. R. 5712, to transfer certain title III Bankhead-Jones lands to the Indians of the Zia and Jemez pueblos in N. Mex. S. 1907, a similar bill was indefinitely postponed. p. 11638
25. **INFORMATION.** Passed without amendment H. R. 10368, to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions. This bill will now be sent to the President. p. 11625
26. **FOOD; POSTAL RATES.** Passed as reported S. 3500, to reduce postage rates on parcels pertaining only to food, clothing, medicines, or drugs sent abroad by mail for relief purposes. p. 11625
Passed without amendment S. 3619, to provide for reimbursing the District of Columbia for food served under the National School Lunch Act. p. 11628

AMENDING THE WATERSHED PROTECTION AND FLOOD
PREVENTION ACT

JULY 16, 1956.—Ordered to be printed

Mr. CHAVEZ, from the Committee on Public Works, submitted the
following

R E P O R T

[To accompany H. R. 8750]

The Committee on Public Works, to whom was referred the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is indicated in the bill as reported by line type and italics.

PURPOSE

The purpose of this bill is to amend the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (Public Law 566), to permit full development of all land and water resources as an integral part of a watershed soil conservation and flood and sediment control program. The bill is designed to permit the inclusion, in reservoirs constructed for flood and sediment detention, of capacity for municipal and industrial water supplies as well as regulatory capacity for irrigation and other beneficial purposes which are consistent with the basic purpose of flood and sediment control. In addition, the bill would authorize the Federal Government to make loans to local organizations to assist them in financing their share of the cost.

GENERAL STATEMENT

Extensive hearings were conducted by the Committee on Public Works, on the matter of amending the Watershed Protection and Flood Prevention Act, with a number of Senate bills as well as H. R. 8750 being considered.

Representatives of many States and organizations testified in favor of enlarging the authority contained in Public Law 566. These witnesses urged that the potential reservoir sites be used fully for all

useful purposes and urged that the review processes be simplified so that the programs could be expedited. They urged that authority for loans be granted and also that the Federal share of the cost of flood-control works be increased over that allowed by existing law.

Testimony was presented to the committee expressing the concern of irrigation water users and others that the extensive construction of waterflow retardation dams might cause great damage to already developed agricultural areas. The concern of these people dealt largely with the matter of permanent storage of water in the retardation reservoirs. Their opinion is that the upstream farmers and ranchers are fully justified in utilizing all of the rainfall that is helpful to them but they voiced objection to the retention of permanent pools which may cause needless evaporation losses and resultant decrease in the availability of water for downstream users.

Some concern was expressed by other Federal agencies, operating in the field of water control, that an authorization to expand Public Law 566 may cause conflict or overlapping of functions within the Federal agencies, and their testimony was quite helpful to the committee in reaching its decisions.

EXISTING LAW

The Watershed Protection and Flood Prevention Act, Public Law 566, 83d Congress provided authority for the Secretary of Agriculture to assist local organizations in developing and carrying out projects for flood prevention (including structural and land treatment measures) or the agricultural phases of the conservation, development, utilization and disposal of water. This authority includes assistance on soil conservation practices applied by farmers and ranchers and structural measures for flood prevention, irrigation and drainage, such as floodwater detention structures, streambank stabilization, major gully control, diversions, irrigation and drainage canals and related measures. Under Public Law 566, however, the Secretary is prohibited from paying any part of the cost of storage in structures for purposes other than flood prevention and from including in a watershed plan any features for nonagricultural purposes such as municipal water supply or streamflow regulation.

A "local organization" is defined in Public Law 566 as including a State, political subdivisions thereof, soil or water conservation district, flood prevention or control district, or combinations, or any other agency having authority under State law to carry out, maintain and operate the works of improvement. In order to receive assistance a local organization must first submit an application therefor to the responsible State agency designated to supervise this program or to the governor if there is no such program. If the State agency or governor does not disapprove the application within 45 days the local organization may submit it to the Secretary.

The application for assistance must be confined to a watershed or subwatershed area of not more than 250,000 acres, although 2 or more subwatersheds may be planned jointly, if requested, by a local organization.

The Secretary is authorized to conduct needed surveys of the watershed, develop a plan of improvements, determine the economic feasibility of the plan and assist the local organization with financial and

other assistance to carry out the plan. This includes developing specification, preparing contracts for construction, and to assist in supervising construction.

As a condition to receiving Federal financial assistance in carrying out the plan, the local organization must agree (1) to acquire all land easements and rights of way at local cost, (2) acquire or provide all necessary water rights, (3) obtain agreements from at least 50 percent of landowners above retention reservoirs to carry out necessary soil conservation measures, (4) to contract for all structures after July 1, 1956, (5) to operate and maintain all improvements, and (6) to assume such proportionate share of the cost of installing any works of improvement as the Secretary considers to be equitable in consideration of anticipated benefits.

The Secretary is required to submit the watershed plan to the Secretary of the Army if it contains any floodwater detention structures and to the Secretary of the Interior, if it contains any irrigation features or affects any land under his jurisdiction. These Federal agencies are allowed 60 days to submit their comments on the plans to the Secretary. Thereafter, the Secretary must transmit the plan to the Congress through the President. The plans must remain before the Congress 45 days before Federal assistance in installation may be provided. If any plan contains a structure having a capacity of more than 2,500 acre-feet, resolutions of approval by the Committee on Agriculture and Forestry of the Senate and Committee on Agriculture of the House of Representatives must be adopted to authorize the appropriation of funds for use on the project.

PROPOSED AMENDMENTS

The amendments to the Watershed Protection and Flood Prevention Act proposed in this bill would:

1. Broaden the purposes of the act to permit the inclusion in watershed work plans of improvements not only for flood prevention, irrigation and drainage, but also for nonagricultural purposes such as municipal water supply and streamflow regulation.

2. Raise the limit on total capacity of any single structure that may be included in a watershed plan from 5,000 acre-feet to 25,000 acre-feet, but would retain the restriction on flood detention capacity to 5,000 acre-feet.

3. Require the preparation of plans and estimates needed for adequate engineering evaluation.

4. Require an allocation of costs to various purposes.

5. Provide that the Federal Government would bear the entire construction cost for flood prevention.

6. Require local organizations to bear such proportionate share of the cost of improvements for irrigation, drainage and other agricultural water management as may be determined by the Secretary to be equitable in consideration of the direct identifiable benefits.

7. Require local organizations to bear all of the costs of improvements other than flood prevention, irrigation, drainage, and agricultural water management.

8. Place in the local organization the responsibility for securing the necessary engineering services in the design, preparation of specifications, awarding of contracts, and supervision of construction of works of improvement. The local organizations would retain qualified

professional engineers satisfactory to the Secretary of Agriculture and advances of funds for such services would be made by the Secretary. If the local organization cannot obtain such services then the Secretary is authorized to contract for such services or to utilize engineers employed by the Federal Government. The advances to the local organization would not exceed 5 percent of the estimated total cost of works.

9. Broaden the safeguarding of State water rights by making the act applicable to "water users" as well as "landowners."

10. Provide for Federal loans or advancements of up to 50 years duration at the Federal long-term borrowing rate, not to exceed \$5 million on any one project.

11. Require local organizations to submit a satisfactory plan of repayment of loans or advancements.

12. Exempt projects involving less than \$250,000 of Federal contribution to construction costs and containing no structure having more than 2,500 acre-feet capacity from review by other Federal agencies and the Congress.

13. Require all projects submitted to the Congress to be approved by resolution of committees in both the Senate and House as a condition to appropriation of funds to carry out the project. This eliminates the 45-day waiting period presently contained in the act.

14. Extends the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

15. Extends the benefits of the amendments made by this act to projects heretofore authorized.

16. Provides that all watershed plans which have received approval of committees under the provisions of the Watershed Protection and Flood Prevention Act, may proceed prior to the expiration of the 45-day period of delay now required.

DISCUSSION

The committee considered the amendments to Public Law 566 very carefully and is of the opinion that authorizing the Department of Agriculture to cooperate in the planning and construction of relatively small dams and reservoirs is desirable. The committee believes that, by limiting the reservoir capacity of any single structure to 25,000 acre-feet and the flood detention capacity to 5,000 acre-feet in an overall watershed program, that there should be a minimum of conflict between Federal agencies. In this connection the committee urges fuller cooperation and coordination in agency activities. The committee is also of the opinion that the water yield of a drainage area of 250,000 acres would rarely justify more than 25,000 acre-feet of water storage or conservation in any single reservoir.

The committee believes that legislation is desirable to allow inclusion of municipal and industrial water storage in all reservoirs, where desired, and where local entities are willing to repay to the United States for that part of the cost allocated to that purpose, with reasonable interest rates, and an appropriate share of the operation and maintenance cost. It is understood that contracts entered into will provide that the reservoirs be operated in a manner consistent with uses for flood and sediment detention.

It is the intention of the committee that the Secretary of Agriculture be authorized to either make loans or to enter into repayment con-

tracts with organizations with powers to enter into repayment contracts under State laws. Some local organizations are limited by constitutional or statutory requirements in negotiating loans but would be in a position to negotiate contracts for the supply of water at stipulated rates over a future period of years.

The committee is fully cognizant of the problem associated with the storage of water in upstream reservoirs and its effect on downstream users. The present law requires as a condition to providing Federal assistance that the local organization shall acquire, or provide assurance that the landowners have acquired, such water rights, pursuant to State law, as may be needed in the installation and operation of the work of improvement. In addition, the committee recommends the inclusion of the word "water users" in the condition for Federal assistance to assure that both landowners and all other water users have complied with State water laws.

The committee is of the opinion that it is desirable to reduce delay in the handling of small projects. Therefore, those projects requiring a Federal contribution of less than \$250,000, and reservoirs of less than 2,500 acre-feet of total capacity, need not be submitted to Congress through the President.

The committee believes that those projects which have been approved under the provisions of Public Law 566 should benefit through the provision of this act, and also that those projects which have been cleared by required committee resolution should be allowed to proceed without being subject to the 45-day delay in initiation of construction. The committee understands that the outstanding agreements and contracts with local organizations relating to the projects proposed or underway under the existing act will be modified to conform to the provisions of the act as amended.

It is the understanding of the committee that any significant change in purpose or in scope of plans would require compliance with applicable approval procedures.

The committee is of the opinion that the local organizations should make the fullest practicable use of available and qualified professional engineers and it is believed that where appropriate under the act as amended, the local organizations should be advanced funds to pay for such services. The committee recognizes that the current shortage of engineers, both within and without the Government, make it essential that the local organizations and the Department of Agriculture have latitude to meet the conditions experienced in many States and localities with respect to the availability of engineering services.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

WATERSHED PROTECTION AND FLOOD PREVENTION ACT

* * * * *

SEC. 2. For the purposes of this Act, the following terms shall mean:

The "Secretary"—the Secretary of Agriculture of the United States.

"Works of improvement"—any undertaking for—

(1) flood prevention (including structural and land-treatment measures) or

(2) [agricultural phases of] the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not included any single structure which provides more than five thousand acre-feet of *floodwater detention capacity*, and more than *twenty-five thousand acre-feet* of total capacity. No appropriation shall be made for any plan for works of improvement *the total cost of which is estimated to be in excess of \$250,000, or which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the [Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, respectively] Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively.* A number of such subwatersheds when they are component parts of a larger watershed may be planned together when the local sponsoring organizations so desire.

"Local organization"—any State, political subdivision thereof, soil or water conservation district, flood prevention or control district, or combinations thereof, or any other agency having authority under State law to carry out, maintain and operate the works of improvement.

SEC. 3. In order to assist local organizations in preparing and carrying out plans for works of improvement, the Secretary is authorized, upon application of local organizations if such application has been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over programs provided for in this Act, or by the Governor if there is no State agency having such responsibility—

(1) to conduct such investigations and surveys as may be necessary to prepare plans for works of improvement;

[(2) to make such studies as may be necessary for determining the physical and economic soundness of plans for works of improvement, including a determination as to whether benefits exceed costs;]

(2) *to prepare plans and estimates required for adequate engineering evaluation;*

(3) *to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;*

[(3)] (4) to cooperate and enter into agreements with and to furnish financial and other assistance to local organizations: *Provided, That, for the land-treatment measures, the Federal assistance shall not exceed the rate of assistance for similar practices under existing national programs;*

[(4)] (5) to obtain the cooperation and assistance of other Federal agencies in carrying out the purposes of this section.

SEC. 4. The Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall—

(1) acquire without cost to the Federal Government such land, easements, or rights-of-way as will be needed in connection with works of improvement installed with Federal assistance;

[(2) assume such proportionate share of the cost of installing any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of anticipated benefits from such improvements: *Provided*, That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this Act;]

(2) *assume (A) such proportionate share, as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits, of the costs of installing any works of improvement, involving Federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water, and (B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this Act;*

(3) make arrangements satisfactory to the Secretary for defraying costs of operating and maintaining such works of improvement, in accordance with regulations presented by the Secretary of Agriculture;

(4) acquire, or provide assurance that landowners or water users have acquired, such water rights, pursuant to State law, as may be needed in the installation and operation of the work of improvement; [and]

(5) obtain agreements to carry out recommended soil conservation measures and proper farm plans from owners of not less than 50 per centum of the lands situated in the drainage area above each retention reservoir to be installed with Federal assistance [.]; and

(6) *submit a plan of repayment satisfactory to the Secretary for any loan or advancement made under the provisions of section 8.*

[SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the Secretary is authorized to assist such local organizations in developing specifications, in preparing contracts for construction, and to participate in the installation of such works of improvement in accordance with the plan: *Provided*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon

him by the provisions of this Act: *Provided further*, That, at least forty-five days (counting only days occurring during any regular or special sessions of the Congress) before such installation involving Federal assistance is commenced, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan (a) which includes reclamation or irrigation works or which affects public or other lands under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least sixty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above sixty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army.】

SEC. 5. *At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization shall assume responsibility for securing engineering services, including the design, preparation of specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, and in order to properly carry out such services shall retain or employ a professional engineer or engineers satisfactory to the Secretary, and the Secretary shall reimburse the local organization for the cost of the services of such engineer or engineers as is properly chargeable to such works of improvement, except that if the Secretary determines that competent engineering services are not available he may contract for a competent engineer to provide such services or arrange for employees of the Federal Government to provide such services: Provided, That at the request of the local organization the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated total cost of such works: Provided further, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: Provided, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: Provided further, That whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure*

having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: Provided further, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 or containing any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: Provided further, That, prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army.

SEC. 6. * * *

SEC. 8. The Secretary is authorized to make loans or advancements to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans or advancements shall be made under contracts or agreements which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor callable for redemption for fifteen years from date of issue. With respect to any single plan for works of improvement, the amount of any such loan or advancement shall not exceed five million dollars.

SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

SEC. [8] 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

SEC. [9] 11. This Act may be cited as the "Watershed Protection and Flood Prevention Act".



Calendar No. 2626

84TH CONGRESS
2D SESSION

H. R. 8750

[Report No. 2585]

IN THE SENATE OF THE UNITED STATES

APRIL 25 (legislative day, APRIL 24), 1956

Read twice and referred to the Committee on Public Works

JULY 16, 1956

Reported by Mr. CHAVEZ, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To amend the Watershed Protection and Flood Prevention Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Watershed Protection and Flood Prevention Act
4 (Act of August 4, 1954, 68 Stat. 666) is amended as
5 follows:

6 (a) Strike out the third sentence of section 2 and
7 amend the second sentence of said section to read: “ ‘Works
8 of improvement’—any undertaking for—

1 ~~“(1) flood prevention (including structural and~~
 2 ~~land treatment measures); or~~

3 ~~“(2) the conservation, development, utilization,~~
 4 ~~and disposal of water in watershed or subwatershed areas~~
 5 ~~not exceeding two hundred and fifty thousand acres and~~
 6 ~~not including any single structure which provides more~~
 7 ~~than five thousand acre-feet of total capacity except~~
 8 ~~structures proposed to be constructed by a local organi-~~
 9 ~~zation as an integral part of a watershed plan in which~~
 10 ~~any capacity in excess of five thousand acre-feet is for~~
 11 ~~purposes other than flood prevention and the construction~~
 12 ~~cost of such excess capacity is to be borne entirely by the~~
 13 ~~local organization.”~~

14 ~~(b) Section 4 of the Act is amended by striking out of~~
 15 ~~the proviso in paragraph (2) the words “That no part of~~
 16 ~~the construction cost for providing any capacity in structures~~
 17 ~~for purposes other than flood prevention and features related~~
 18 ~~thereto shall be borne by the Federal Government under the~~
 19 ~~provisions of this Act;” and inserting “That the Secretary~~
 20 ~~shall not require local organizations to assume any part of~~
 21 ~~the construction cost of structural measures applicable to~~
 22 ~~flood prevention;”~~

23 ~~(c) Section 5 of the Act is amended—~~

24 ~~(1) by striking out in the first proviso “; and in no~~
 25 ~~event after July 1, 1956”;~~

(2) by inserting after the word "That" in the third proviso "whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000"; and

(3) by inserting in the fourth proviso after the words "That any such plan" the words "involving an estimated Federal contribution to construction costs in excess of \$250,000" and after the words "public or other lands" the words "or wildlife".

(d) Said Act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the Act to conform:

"SEC. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans shall be repaid in not more than fifty years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

1 *That the Watershed Protection and Flood Prevention Act*
2 *(68 Stat. 666) is amended as follows:*

3 *(a) Amend the second and third sentences of section 2*
4 *to read as follows: “ ‘Works of improvement’—any under-*
5 *taking for—*

6 *“(1) flood prevention (including structural and*
7 *land treatment measures) or*

8 *“(2) the conservation, development, utilization, and*
9 *disposal of water*

10 *in watershed or subwatershed areas not exceeding two hun-*
11 *dred and fifty thousand acres and not including any single*
12 *structure which provides more than five thousand acre-feet*
13 *of floodwater detention capacity, and more than twenty-five*
14 *thousand acre-feet of total capacity. No appropriation shall*
15 *be made for any plan for works of improvement the total*
16 *cost of which is estimated to be in excess of \$250,000, or*
17 *which includes any structure which provides more than*
18 *twenty-five hundred acre-feet of total capacity unless such*
19 *plan has been approved by resolutions adopted by the Com-*
20 *mittee on Public Works of the Senate and the Committee on*
21 *Public Works of the House of Representatives, respectively.”*

22 *(b) Amend section 3 by striking out clause (2), and*
23 *inserting in lieu thereof the following:*

1 “(2) to prepare plans and estimates required for
2 adequate engineering evaluation;

3 “(3) to make allocations of costs to the various pur-
4 poses to show the basis of such allocations and to deter-
5 mine whether benefits exceed costs;”

6 and by renumbering clauses (3) and (4) as (4) and (5)
7 respectively.

8 (c) Amend clause (2) of section 4 to read as follows:

9 “(2) assume (A) such proportionate share, as is
10 determined by the Secretary to be equitable in consid-
11 eration of the direct identifiable benefits, of the costs of
12 installing any works of improvement, involving Federal
13 assistance, which is applicable to the agricultural phases
14 of the conservation, development, utilization, and dis-
15 posal of water, and (B) all of the cost of installing any
16 portion of such works applicable to other purposes ex-
17 cept that any part of the construction cost (including
18 engineering costs) applicable to flood prevention and fea-
19 tures relating thereto shall be borne by the Federal
20 Government and paid for by the Secretary out of funds
21 appropriated for the purposes of this Act;”.

22 (d) Add after the word “landowners” in clause (4) in
23 section 4, the words “or water users”.

1 (e) Strike out the word "and" at the end of clause (4)
2 in section 4; strike out the period at the end of clause (5)
3 and insert in lieu thereof a semicolon and the word "and";
4 and after clause (5) insert a new clause as follows:

5 “(6) submit a plan of repayment satisfactory to
6 the Secretary for any loan or advancement made under
7 the provisions of section 8.”

8 (f) Amend section 5 to read as follows:

9 “SEC. 5. At such time as the Secretary and the inter-
10 ested local organization have agreed on a plan for works of
11 improvement, and the Secretary has determined that the
12 benefits exceed the costs, and the local organization has met
13 the requirements for participation in carrying out the works
14 of improvement as set forth in section 4, the local organiza-
15 tion shall assume responsibility for securing engineering
16 services, including the design, preparation of specifications,
17 awarding of contracts, and supervision of construction, in
18 connection with such works of improvement, and in order to
19 properly carry out such services shall retain or employ a
20 professional engineer or engineers satisfactory to the Secre-
21 tary, and the Secretary shall reimburse the local organiza-
22 tion for the cost of the services of such engineer or engineers
23 as is properly chargeable to such works of improvement,
24 except that if the Secretary determines that competent engi-
25 neering services are not available he may contract for a

1 competent engineer to provide such services or arrange for
2 employees of the Federal Government to provide such serv-
3 ices: Provided, That at the request of the local organization
4 the Secretary may advance such amounts as may be neces-
5 sary to pay for such services, but such advances with respect
6 to any works of improvement shall not exceed 5 per centum
7 of the estimated total cost of such works: Provided further,
8 That, except as to the installation of works of improvement
9 on Federal lands, the Secretary shall not construct or enter
10 into any contract for the construction of any structure unless
11 there is no local organization authorized by State law to
12 undertake such construction or to enter into such contract, and
13 in no event after July 1, 1956: Provided, That in partici-
14 pating in the installation of such works of improvement the
15 Secretary, as far as practicable and consistent with his re-
16 sponsibilities for administering the overall national agricul-
17 tural program, shall utilize the authority conferred upon him
18 by the provisions of this Act: Provided further, That when-
19 ever the estimated Federal contribution to the construction
20 cost of works of improvement in any watershed or subwater-
21 shed area shall exceed \$250,000 or the works of improve-
22 ment include any structure having a total capacity in excess
23 of twenty-five hundred acre-feet, the Secretary shall transmit
24 a copy of the plan and the justification therefor to the Con-
25 gress through the President: Provided further, That any

1 such plan involving an estimated Federal contribution to con-
2 struction costs in excess of \$250,000 or containing any struc-
3 ture having a total capacity in excess of twenty-five hundred
4 acre-feet (a) which includes reclamation or irrigation works
5 or which affects public or other lands or wildlife under the
6 jurisdiction of the Secretary of the Interior, or (b) which
7 includes Federal assistance for floodwater detention struc-
8 tures, shall be submitted to the Secretary of the Interior or
9 the Secretary of the Army, respectively, for his views and
10 recommendations at least thirty days prior to transmission of
11 the plan to the Congress through the President. The views and
12 recommendations of the Secretary of the Interior, and the
13 Secretary of the Army, if received by the Secretary of
14 Agriculture prior to the expiration of the above thirty-day
15 period, shall accompany the plan transmitted by the Secretary
16 of Agriculture to the Congress through the President: Pro-
17 vided further, That, prior to any Federal participation in
18 the works of improvement under this Act, the President shall
19 issue such rules and regulations as he deems necessary or
20 desirable to carry out the purposes of this Act, and to assure
21 the coordination of the work authorized under this Act and
22 related work of other agencies including the Department of
23 the Interior and the Department of the Army.”

24 (g) After section 7 insert the following two new sections
25 and renumber subsequent sections of the Act to conform:

1 “SEC. 8. The Secretary is authorized to make loans or
2 advancements to local organizations to finance the local share
3 of costs of carrying out works of improvement provided for
4 in this Act. Such loans or advancements shall be made under
5 contracts or agreements which will provide, under such terms
6 and conditions as the Secretary deems appropriate, for the
7 repayment thereof in not more than fifty years from the date
8 when the principal benefits of the works of improvement first
9 become available, with interest at the average rate, as de-
10 termined by the Secretary of the Treasury, payable by the
11 Treasury upon its marketable public obligations outstanding
12 at the beginning of the fiscal year in which the loan or ad-
13 vancement is made, which are neither due nor callable for
14 redemption for fifteen years from date of issue. With respect
15 to any single plan for works of improvement, the amount of
16 any such loan or advancement shall not exceed five million
17 dollars.

18 “SEC. 9. The provisions of this Act shall be applicable
19 to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.”

20 SEC. 2. The amendments made by this Act shall be
21 applicable to all works of improvement and plans for such
22 works under the provisions of the Watershed Protection and
23 Flood Prevention Act. Any plans for works of improve-
24 ment with respect to which the Secretary of Agriculture was
25 authorized prior to the date of this Act to participate in the

1 *installation of works of improvement in accordance with*
2 *such plan, or any plan for works of improvement which has*
3 *received prior to the date of this Act the approval of con-*
4 *gressional committees, as required by such Act, need not*
5 *be submitted to the congressional committees as required by*
6 *the Watershed Protection and Flood Prevention Act as*
7 *amended by this Act.*

Passed the House of Representatives April 24, 1956.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS
2^D SESSION

H. R. 8750

[Report No. 2585]

AN ACT

To amend the Watershed Protection and Flood
Prevention Act.

APRIL 25 (legislative day, APRIL 24), 1956

Read twice and referred to the Committee on
Public Works

JULY 16, 1956

Reported with an amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 23, 1956
For actions of July 20 and 21, 1956
84th-2nd, Nos. 124 & 125

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HIGHLIGHTS: House agreed to conference report on CCC borrowing power bill. Senate passed watershed bill. House committee reported second supplemental appropriation bill. House agreed to conference report on bill to facilitate payment of obligations. Senate passed executive pay and retirement bill. Senate confirmed nomination of Hansen as FHA Administrator. Senate committee reported resolution favoring water resource development. Conferees agreed to report bills to increase Public Law 480 authorization, and amend social security laws. Senate debated mutual security appropriation bill. Senate agreed to conference report on small reclamation project bill. (Continued on page 9)

HOUSE - July 20

1. FOREIGN TRADE; SURPLUS COMMODITIES. The conferees agreed to file a report (but did not actually do so) on S. 3903, to increase the amount authorized for title 1 of the Agricultural Trade Development and Assistance Act of 1954. p. D850
House conferees on this bill had been appointed earlier in the day.
p. 12512

2. FARM LOANS. The conferees agreed to file a report on H. R. 11544, to improve and simplify the credit facilities available to farmers and to amend the Bankhead-Jones Farm Tenant Act (but did not actually do so). p. D850
3. CCC BORROWING POWER. Agreed to the conference report on S. 3820, to increase the borrowing power of the Commodity Credit Corporation to \$14.5 billion and to amend the penalty provision of the CCC Charter Act. p. 12550
4. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1957. The Appropriations Committee reported without amendment this bill, H. R. 12350 (H. Rept. 2849). p. 12567
5. RECLAMATION. Received the conference report on S. 497, to authorize the Washoe reclamation project, Nev. and Calif. p. 12511
6. CUSTOMS SIMPLIFICATION. Conferees were appointed on H. R. 6040, the customs simplification bill. p. 12549
7. ACCOUNTING. Agreed to the conference report on H. R. 9593, to simplify accounting and facilitate the payment of obligations. This bill will now be sent to the President. p. 12550
8. SOCIAL SECURITY. The conferees tentatively agreed to language for a conference report on H. R. 7225, the social security bill. The conferees are to meet July 24 for final review of the report. p. D850
9. TWINE IMPORTS. Rep. Marshall referred to an announcement of an executive branch hearing on the possibility of imposing a tariff on the importation of baler and binder twine and stated that American farmers "are asked in effect to bear the higher cost of producing their goods as a kind of direct subsidy to the cordage industry." p. 12552
10. PERSONNEL; SURPLUS COMMODITIES; INFORMATION. The Government Operations Committee approved the following subcommittee reports: "Employment and Utilization of Experts and Consultants," "Distribution of Surplus Agricultural Commodities to Schools and Institutions in Illinois," "Availability of Information From Federal Departments and Agencies." p. D849
11. LEGISLATIVE PROGRAM for this week was announced as follows: Mon., Consent Calendar, bills under suspension of rules, and possibly second supplemental appropriation bill. Tues., civilian atomic power bill.

SENATE - JULY 20

12. WATERSHEDS. Passed with amendments H. R. 8750, to amend the Watershed Protection and Flood Prevention Act. Agreed to an amendment by Sen. Kerr to provide for committee review of projects on which the Federal contribution exceeds \$250,000 (the bill as reported provided for such review when the total cost exceeds that amount). Agreed to an amendment by Sen. Hruska to modify the requirement for employment of engineers in connection with watershed projects so as to make the requirement apply only to projects for storage of water for municipal or industrial purposes. Sen. Aiken criticized the transfer of this bill from the Agriculture and Forestry Committee to the Public Works Committee. Senate conferees were appointed. p. 12428
13. NOMINATION; FARM LOANS. Confirmed the nomination of Kermit H. Hansen to be Administrator of the Farmers' Home Administration. p. 12422

Elliott V. Bell, chairman, executive committee, McGraw-Hill Publishing Co., Inc., New York, N. Y.

William Benton, chairman of the board, Encyclopedia Britannica, Inc., New York, N. Y.

Sarah G. Blanding, president, Vassar College, Poughkeepsie, N. Y.

Joseph L. Block, president, Inland Steel Co., Chicago, Ill.

Marvin Bower, partner, McKinsey & Co., New York, N. Y.

W. Harold Brenton, president, Brenton Bros., Inc., Des Moines, Iowa.

Henry P. Bristol, chairman of the board, Bristol-Myers Co., New York, N. Y.

James F. Brownlee, partner, J. H. Whitney & Co., New York, N. Y.

Harry A. Bullis, chairman of the board, General Mills, Inc., Minneapolis, Minn.

Thomas D. Cabot, president, Godfrey L. Cabot, Inc., Boston, Mass.

Everett Needham Case, president, Colgate University, Hamilton, N. Y.

Frank A. Christensen, chairman of the boards, American Fore Insurance Group, New York, N. Y.

Walker L. Cisler, president, the Detroit Edison Co., Detroit, Mich.

Paul F. Clark, president, John Hancock Mutual Life Insurance Co., Boston, Mass.

W. L. Clayton, Anderson, Clayton & Co., Houston, Tex.

M. W. Clement, Philadelphia, Pa.

Erle Cocke, chairman, executive committee, the Fulton National Bank, Atlanta, Ga.

John S. Coleman, president, Burroughs Corp., Detroit, Mich.

S. Bayard Colgate, honorary chairman of the board, Colgate-Palmolive Co., New York, N. Y.

John L. Collyer, chairman of the board, the B. F. Goodrich Co., Akron, Ohio.

S. Sloan Colt, chairman of the board, Bankers Trust Co., New York, N. Y.

James B. Conant, United States Ambassador to the Federal Republic of Germany, Bonn, Germany.

George H. Coppers, president, National Biscuit Co., New York, N. Y.

H. H. Corey, chairman, Geo. A. Hormel & Co., Austin, Minn.

Charles R. Cox, president, Kennecott Copper Corp., New York, N. Y.

Jay E. Crane, vice president, Standard Oil Co., (New Jersey), New York, N. Y.

F. C. Crawford, chairman of the board, Thompson Products, Inc., Cleveland, Ohio.

Donald K. David, chairman, executive committee, the Ford Foundation, New York, N. Y.

Paul L. Davies, president, Food Machinery & Chemical Corp., San Jose, Calif.

R. R. Deupree, chairman of the board, the Procter & Gamble Co., Cincinnati, Ohio.

John S. Dickey, president, Dartmouth College, Hanover, N. H.

George S. Dinwiddie, president, New Orleans Public Service, Inc., New Orleans, La.

Morris Edwards, vice president, Thomas E. Wood, Inc., Cincinnati, Ohio.

Fred J. Emmerich, president, Allied Chemical & Dye Corp., New York, N. Y.

Mark F. Ethridge, publisher, the Courier-Journal and the Louisville Times, Louisville, Ky.

Benjamin F. Fairless, chairman, executive advisory committee, United States Steel Corp., New York, N. Y.

Edmund Fitzgerald, president, the Northwestern Mutual Life Insurance Co., Milwaukee, Wis.

RALPH E. FLANDERS, United States Senate, Washington, D. C.

Percival E. Foerderer, Philadelphia, Pa.

William C. Foster, executive vice president, Olin Mathieson Chemical Corp., Baltimore, Md.

John M. Fox, president, Minute Maid Corp., New York, N. Y.

Clarence Francis, General Foods Corp., New York, N. Y.

Alfred C. Fuller, chairman of the board, the Fuller Brush Co., Hartford, Conn.

Walter D. Fuller, chairman of the board, the Curtis Publishing Co., Philadelphia, Pa.

George M. Gadsby, chairman of the board, Utah Power & Light Co., Salt Lake City, Utah.

Clark R. Gamble, president, Brown Shoe Co., St. Louis, Mo.

Paul S. Gerot, president, Pillsbury Mills, Inc., Minneapolis, Minn.

Philip L. Graham, president and publisher, the Washington Post and Times Herald, Washington, D. C.

Gordon Gray, Assistant Secretary of Defense, Department of Defense, Washington, D. C.

George L. Harrison, New York Life Insurance Co., New York, N. Y.

H. J. Heinz II, president, H. J. Heinz Co., Pittsburgh, Pa.

Robert Heller, president, Robert Heller & Associates, Inc., Cleveland, Ohio.

Paul G. Hoffman, chairman of the board, Studebaker-Packard Corp., Los Angeles, Calif.

John Jay Hopkins, president and chairman, General Dynamics Corp., New York, N. Y.

Amory Houghton, chairman of the board, Corning Glass Works, Corning, N. Y.

T. V. Houser, chairman of the board, Sears, Roebuck & Co., Chicago, Ill.

George H. Johnson, president, Gisholt Machine Co., Madison, Wis.

Eric Johnston, president, Motion Picture Association of America, Inc., Washington, D. C.

Henry R. Johnston, New York, N. Y.

William H. Joyce, Jr., president and chairman of the board, Joyce, Inc., Pasadena, Calif.

Ernest Kanzler, vice chairman of the board, Universal C. I. T. Credit Corp., Detroit, Mich.

Henry P. Kendall, chairman of the board, The Kendall Co., Boston, Mass.

Meyer Kestnbaum, president, Hart Schaffner & Marx, Chicago, Ill.

Sigurd S. Larmon, president, Young & Rubicam, Inc., New York, N. Y.

Roy E. Larsen, president, Time, Inc., New York, N. Y.

Fred Lazarus, Jr., president, Federated Department Stores, Inc., Cincinnati, Ohio.

Ralph Lazarus, executive vice president, Federated Department Stores, Inc., Cincinnati, Ohio.

Leroy A. Lincoln, chairman of the board, Metropolitan Life Insurance Co., New York, N. Y.

Elmer L. Lindseth, president, the Cleveland Electric Illuminating Co., Cleveland, Ohio.

George H. Love, president, Pittsburgh Consolidation Coal Co., Pittsburgh, Pa.

J. Spencer Love, chairman of the board, Burlington Industries, Inc., Greensboro, N. C.

Robert A. Lovett, partner, Brown Bros., Harriman & Co., New York, N. Y.

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Fowler McCormick, Chicago, Ill.

Ralph McGill, editor, the Atlanta Constitution, Atlanta, Ga.

Stanley Marcus, president, Neiman-Marcus Co., Dallas, Tex.

J. A. Martino, president, National Lead Co., New York, N. Y.

Fred Maytag II, president, the Maytag Co., Newton, Iowa.

Eugene Meyer, the Washington Post and Times Herald, Washington, D. C.

Don G. Mitchell, chairman of the board, Sylvania Electric Products, Inc., New York, N. Y.

George L. Morrison, chairman of the board and president, General Baking Co., New York, N. Y.

C. Hamilton Moses, chairman of the board, Arkansas Power & Light Co., Little Rock, Ark.

Malcolm Muir, president, Newsweek, New York, N. Y.

L. B. Neumiller, chairman of the board, Caterpillar Tractor Co., Peoria, Ill.

W. A. Patterson, president, United Air Lines, Chicago, Ill.

Morris B. Pendleton, president, Plomb Tool Co., Los Angeles, Calif.

Howard C. Petersen, president, Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

T. S. Petersen, president, Standard Oil Company of California, San Francisco, Calif.

Malcolm Pirnie, Malcolm Pirnie Engineers, New York, N. Y.

M. J. Rathbone, president, Standard Oil Co. (New Jersey), New York, N. Y.

Philip D. Reed, chairman of the board, General Electric Co., New York, N. Y.

Walter Rothschild, chairman of the board, Abraham & Straus, Brooklyn, N. Y.

Beardsley Ruml, New York, N. Y.

E. C. Sammons, president, the United States National Bank of Portland, Portland, Oreg.

Harry Scherman, chairman of the board, Book-of-the-Month Club, Inc., New York, N. Y.

Carrol M. Shanks, president, the Prudential Insurance Company of America, Newark, N. J.

Dorothy Shaver, president, Lord & Taylor, New York, N. Y.

Harper Sibley, Sibley Farms, Inc., Rochester, N. Y.

Ellis D. Slater, president, Frankfort Distilleries, Inc., New York, N. Y.

J. E. Slater, president, American Export Lines, Inc., New York, N. Y.

George F. Smith, president, Johnson & Johnson, New Brunswick, N. J.

S. Abbot Smith, president, Thomas Strahan Co., Chelsea, Mass.

H. Christian Sonne, New York, N. Y.

Joseph P. Spang, Jr., chairman of the board, Gillette Co., Boston, Mass.

Kenneth A. Spencer, president, Spencer Chemical Co., Kansas City, Mo.

Frank Stanton, president, Columbia Broadcasting System, Inc., New York, N. Y.

John P. Stevens, Jr., chairman of the board, J. P. Stevens & Co., Inc., New York, N. Y.

William C. Stolk, president, American Can Co., New York, N. Y.

Anna Lord Strauss, New York, N. Y.

John Stuart, chairman of the board, the Quaker Oats Co., Chicago, Ill.

Frank L. Sulzberger, chairman of the board, Eenterprise Paint Manufacturing Co., Chicago, Ill.

J. M. Symes, president, the Pennsylvania Railroad Co., Philadelphia, Pa.

Charles P. Taft, Cincinnati, Ohio.

Wayne C. Taylor, Heathsville, Va.

Alan H. Temple, executive vice president, the First National City Bank of New York, New York, N. Y.

H. C. Turner, Jr., president, Turner Construction Co., New York, N. Y.

Maxwell M. Upson, chairman of the board, Raymond Concrete Pile Co., New York, N. Y.

Alan Valentine, Washington, D. C.

L. A. Van Bomel, chairman of the board, National Dairy Products Corp., New York, N. Y.

Arthur B. Van Buskirk, vice president, T. Mellon & Sons, Pittsburgh, Pa.

Thomas J. Watson, Jr., president, International Business Machines Corp., New York, N. Y.

James E. Webb, director, Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla.

George Whitney, J. P. Morgan & Co., New York, N. Y.

Walter Williams, Under Secretary of Commerce, Department of Commerce, Washington, D. C.

Charles E. Wilson, chairman, executive committee, W. R. Grace & Co., New York, N. Y.

Theodore O. Yntema, vice president, finance, Ford Motor Co., Dearborn, Mich.

James W. Young, senior consultant, J. Walter Thompson Co., New York, N. Y.

Harry W. Zinsmaster, president, Zinsmaster Baking Co., Duluth, Minn.

John S. Zinsser, vice chairman of the board, Merck & Co., Rahway, N. J.

Mr. THYE. Mr. President, I intend to vote to confirm the nomination of Paul G. Hoffman. I have known Paul G. Hoffman for quite a number of years. I became acquainted with him when he was serving as chairman of the Committee for Economic Development. He served the United States well in that capacity, and helped to formulate a very strong, progressive, and healthy business economy for the United States in the postwar era.

Paul G. Hoffman and his associates did much to help establish a strong economy, and to avoid the pitfalls of depression which we witnessed in past decades following all major wars.

Paul G. Hoffman served abroad as the administrator of the Marshall plan. He was a credit to the United States in that capacity. His actions in the United States during the years since he resigned as administrator of the European post have been above reproach. He has done an able job as a business administrator, and as one of the Nation's leading business experts.

Mr. President, I do not believe we would do justice to the administration if we were to reject the nomination of Paul G. Hoffman. I commend the President for having selected him as a delegate to represent the United States at the United Nations.

Therefore I shall vote for the confirmation of his nomination.

Mr. NEUBERGER. Mr. President, I desire to state that I intend to vote for the confirmation of Mr. Paul G. Hoffman to be a member of the United States delegation to the United Nations. This is a question in which the President of the United States and the Secretary of State, as well as the Committee on Foreign Relations, are far better informed than I ever could hope to be, and I shall certainly abide by their judgment in this realm of international relations.

Mr. President, although I do not have any additional expert information to contribute to the debate, I should like to ask a question of the distinguished minority leader.

Is it the opinion of the distinguished leader of the minority that the speeches made yesterday on the floor in opposition to the nomination of Paul G. Hoffman reflect in any way upon the integrity of the President of the United States?

I should like to ask that question of the distinguished minority leader.

Mr. KNOWLAND. The Senator from Oregon will have to judge that. I was not in the Senate Chamber to hear all the speeches. I made my own position clear, that I intended to support the nomination of Mr. Hoffman.

I am a member of the Committee on Foreign Relations, which heard the testimony. I read into the RECORD a letter which Mr. Hoffman had addressed to me. I did not hear all the speeches. I have not had an opportunity to read all that was said on the subject. Therefore, I am not in a position to answer categorically the question asked by the Sen-

ator from Oregon. Any Senator is within his rights on the floor of the Senate to express his views. All of us, on both sides of the aisle, do not necessarily have to agree, and do not always agree, with the views expressed on either side of the aisle.

Mr. NEUBERGER. I thank the distinguished minority leader. I should like to explain to him and to other Members of the Senate why I asked the question.

I was much disturbed, on July 18, when the able minority leader twice said on the floor that the junior Senator from Michigan [Mr. McNAMARA], who now occupies the chair, had made a speech which cast reflection upon the integrity of the President of the United States. If I am not mistaken, that was the fourth or fifth time the able minority leader had charged that various Democratic Members of the Senate at one time or other had made speeches which reflected upon the integrity of the President of the United States. Of course, the able minority leader was completely within his prerogative and right to say it.

However, I submit it is a rather serious thing to have the spokesman of the President of the United States in the Senate to say that another Senator has cast a reflection upon the integrity of the President of the United States.

I am a junior Senator, but in the relatively short time I have been a Member of the Senate, I have heard Members on the other side of the aisle, the Republican side of the aisle, make speeches in which they have declared, for example, that the President of the United States wished to send our jet airplanes, paid for by American taxpayers, and made with the skill of American workers, to a country which is, in effect, an enemy of the United States.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield.

Mr. McCARTHY. I should like to make a correction, if I may. I am sure the Senator does not intend to say that the minority leader is the spokesman of the President. If I understand the precedents of the Senate, the minority leader is the spokesman of the minority, not of the President. He is the Senate minority leader, not the President's spokesman.

Unfortunately, many people seem to think that the minority leader in the Senate is now the spokesman for the President. I believe that is entirely untrue, and I sincerely hope the minority leader does not agree with what the Senator from Oregon has said on that point.

Mr. NEUBERGER. I shall be very happy to accept the correction. I will revise my statement to say that it is a serious thing when the leader in the Senate of the party of the President of the United States indicates that another Senator, whether it be the Senator from Michigan [Mr. McNAMARA] or any other Senator, has cast doubt upon the integrity of the President of the United States.

For example, it was said yesterday—and entirely within the prerogative of the Senator who said it—that the nominee of the President of the United States for this important position in our international affairs is the head of an organization whose “influence operates to defend Communists, to ridicule or hamstring congressional committees investigating communism, and to confuse the American people about the meaning of their fundamental constitutional principles.”

It was said further:

We are voting to approve or disapprove, as a representative of the United States, a man who has been clearly identified over many years with the softening and corruption of public opinion in the United States and the undermining of its power to meet the Communist danger.

I could read more quotations of a similar nature, but I shall not do so.

The point I am seeking to make is that it is a serious thing when a Senator is charged with casting doubt upon the integrity of the President of the United States. I desire to place in proper perspective the accusations that have been made against Senators on this side of the aisle. I desire to point to some statements which have been made on the other side of the aisle about nominees for appointment by the President to the highest positions in the country, and that no charges were made, to my knowledge, by the minority leader or anyone else that they were casting doubt upon the integrity of the President of the United States.

I was disturbed the other evening when the charge was made against a very fine and outstanding and humanitarian Democratic Senator. Therefore, I wished to place the accusations in their proper perspective.

I intend to vote to confirm the nomination of Paul G. Hoffman, a nomination sent to the Senate by the President of the United States.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT

Mr. JOHNSON of Texas. Mr. President, as in legislative session, I intend to ask unanimous consent that the Senate proceed to the consideration of the watershed protection bill which the Senator from Delaware [Mr. WILLIAMS] and the Senator from Oklahoma [Mr. KERR] tell me can be disposed of in 5 minutes.

Therefore, Mr. President, I ask unanimous consent that, as in legislative session, the Senate proceed to the consideration of Calendar No. 2626, H. R. 8750.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment, to

strike out all after the enacting clause and insert:

That the Watershed Protection and Flood Prevention Act (68 Stat. 666) is amended as follows:

(a) Amend the second and third sentences of section 2 to read as follows: "Works of improvement"—any undertaking for—

"(1) flood prevention (including structural and land treatment measures) or

"(2) the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding 250,000 acres and not including any single structure which provides more than 5,000 acre-feet of floodwater detention capacity, and more than 25,000 acre-feet of total capacity. No appropriation shall be made for any plan for works of improvement the total cost of which is estimated to be in excess of \$250,000, or which includes any structure which provides more than 2,500 acre-feet of total capacity unless such plan has been approved by resolutions adopted by the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively."

(b) Amend section 3 by striking out clause (2), and inserting in lieu thereof the following:

"(2) to prepare plans and estimates required for adequate engineering evaluation; "(3) to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;"

and by renumbering clauses (3) and (4) as (4) and (5) respectively.

(c) Amend clause (2) of section 4 to read as follows:

"(2) assume (A) such proportionate share, as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits, of the costs of installing any works of improvement, involving Federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water, and (B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this act;"

(d) Add after the word "landowners" in clause (4) in section 4, the words "or water users."

(e) Strike out the word "and" at the end of clause (4) in section 4; strike out the period at the end of clause (5) and insert in lieu thereof a semicolon and the word "and"; and after clause (5) insert a new clause as follows:

"(6) submit a plan of repayment satisfactory to the Secretary for any loan or advancement made under the provisions of section 8."

(f) Amend section 5 to read as follows:

"SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization shall assume responsibility for securing engineering services, including the design, preparation of specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, and in order to properly carry out such services shall retain or employ a professional engineer or engineers satisfactory to the Secretary, and the Secretary shall reimburse the local organization for the cost of the services

of such engineer or engineers as is properly chargeable to such works of improvement, except that if the Secretary determines that competent engineering services are not available he may contract for a competent engineer to provide such services or arrange for employees of the Federal Government to provide such services: *Provided*, That at the request of the local organization the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated total cost of such works: *Provided further*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this act: *Provided further*, That whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure having a total capacity in excess of 2,500 acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 or containing any structure having a total capacity in excess of 2,500 acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least 30 days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above 30-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works of improvement under this act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this act, and to assure the coordination of the work authorized under this act and related work of other agencies including the Department of the Interior and the Department of the Army."

(g) After section 7 insert the following two new sections and renumber subsequent sections of the act to conform:

"SEC. 8. The Secretary is authorized to make loans or advancements to local organizations to finance the local share of costs of carrying out works of improvement provided for in this act. Such loans or advancements shall be made under contracts or agreements which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than 50 years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor

callable for redemption for 15 years from date of issue. With respect to any single plan for works of improvement, the amount of any such loan or advancement shall not exceed \$5 million.

"SEC. 9. The provisions of this act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

SEC. 2. The amendments made by this act shall be applicable to all works of improvement and plans for such works under the provisions of the Watershed Protection and Flood Prevention Act. Any plans for works of improvement with respect to which the Secretary of Agriculture was authorized prior to the date of this act to participate in the installation of works of improvement in accordance with such plan, or any plan for works of improvement which has received prior to the date of this act the approval of congressional committees, as required by such act, need not be submitted to the congressional committees as required by the Watershed Protection and Flood Prevention Act as amended by this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. AIKEN. Mr. President, am I to understand that the watershed bill has been called up at this time?

Mr. JOHNSON of Texas. That is correct.

Mr. AIKEN. Is the Senator from Texas asking that the Senate consider the bill at this time?

Mr. JOHNSON of Texas. The bill is before the Senate. The Senator from Oklahoma will make a brief statement on the bill, and the Senator from Delaware [Mr. WILLIAMS] wishes to offer some amendments to the bill.

Mr. AIKEN. Is it intended that the Senate shall act on the bill at this time?

Mr. JOHNSON of Texas. Yes, if that course is agreeable to the Senate.

Mr. AIKEN. I do not believe that the consideration of this subject should be taken from the Committee on Agriculture and Forestry and turned over to another committee. I wish to register my opposition to such action.

Mr. JOHNSON of Texas. The Senator from Vermont will have an opportunity to do so.

Mr. AIKEN. I did not anticipate that the bill would come up quite so soon.

Mr. JOHNSON of Texas. The Senator from Texas is trying to anticipate as much as he can. The minority leader agreed that the bill might be considered at this time. He said there were three Members on his side of the aisle who desired to be notified when the bill was called up.

Mr. AIKEN. I should like to take about 5 minutes to make a general statement in opposition to the bill.

Mr. JOHNSON of Texas. The Senator from Vermont certainly will have that opportunity. Does the Senator care to make his statement now? If so, I shall be glad to yield the floor to him.

Mr. AIKEN. Mr. President, I wish to say that the conservation of the soil and the upstream water resources of the United States is a matter which properly concerns agriculture more than any other phase of our economy.

Two years ago Congress enacted legislation providing for small watershed developments which would afford some flood control and water conservation for the upstream farming areas of the country, and encourage reforestation and other sound conservation practices.

I regret very much that in this Congress this type of legislation has been referred to the Committee on Interior and Insular Affairs instead of to the Committee on Agriculture and Forestry. I believe that is taking the matter from a committee in which it properly belongs.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. AIKEN. I have only 5 minutes.

Mr. BARRETT. It was not referred to the Committee on Interior and Insular Affairs.

Mr. AIKEN. Instead, the matters relating to the subject have been referred to a committee which has had little to do with the Watershed Act and watershed developments. I have not had an opportunity to study the bill very carefully.

I understand it virtually does away with the engineering staff of the Soil Conservation Service and requires farmers to hire private engineers not only in the construction of dams in the same watershed projects, but also for the ordinary work carried on in connection with farming, such as drainage, terracing, and so forth. It eliminates a great deal of the engineering assistance which they have received from the Soil Conservation Service, and I believe it is ill-advised to take the matter up at this time. I think, if it is enacted, it will do a great deal of harm to the upstream conservation movement. I believe the measure should never have been referred to the Committee on Interior and Insular Affairs and should not have been taken away from the Committee on Agriculture and Forestry. If it is passed and signed by the President it could mean a lessening of a great deal of the conservation work which has been promoted and encouraged during the past 2 years.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. YOUNG. Mr. President, I merely wish to support the position taken by the Senator from Vermont. The bill should have gone to the Committee on Agriculture and Forestry. If it is passed, it will be a disservice to the soil-conservation program, which has accomplished a great deal of good in the past.

Mr. AIKEN. Bringing up the bill at this time has taken me by surprise. It is a matter which affects every farmer in the United States. It is a matter which could reverse the established policy of the administration to conserve soil and water resources in the upstream reaches of river systems, and it could mean reverting, again, to the big-dam system on the lower reaches of rivers where dams frequently do more harm than good, particularly as regards the people who live above them. It would be a calamity to enact this measure into law at this time as it is now written.

Mr. KERR. Mr. President, the Committee on Public Works, to which the bill was referred, reported it favorably

with an amendment and recommended that the bill, as amended, be passed.

In this connection, for the committee, I send forward a perfecting amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. On page 4, lines 15 and 16, it is proposed, in lieu of the words "for works of improvement, the total cost of which is estimated to be", to insert the words "involving the estimated Federal contribution to construction costs."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. McCARTHY. Mr. President, I wonder if the Senator from Oklahoma will explain the amendment.

Mr. KERR. Mr. President, the purpose of the amendment is to make the paragraph conform to the remainder of the bill as it has been amended. In the bill there was a requirement for submission to congressional committees when the amount of the cost of the plan exceeded a certain amount, which was \$250,000. It was our purpose to provide throughout the bill that the project should be submitted to the committees of the Congress if the Federal contribution to the plan exceeded \$250,000, not if the total cost of the plan exceeded \$250,000. All this perfecting amendment does is to make the provision on page 4, lines 15 and 16, conform to the provisions in other parts of the bill.

Mr. FLANDERS. Mr. President, may I inquire whether all Senators received a copy of the bill and the report? I think it is very unusual to consider a bill with amendments which have not been printed and distributed.

Mr. KERR. Mr. President, let me say to the distinguished Senator from Vermont that it was submitted not only to the members of the committee on the other side of the aisle, but also to the distinguished minority leader, and by him discussed with other Senators.

It was our understanding that every phase of the bill had been taken up with Members on both sides of the aisle. Certainly, if the Senator wishes a copy he may have it.

Mr. KNOWLAND. Mr. President, I merely wish to say that this bill has been on the calendar since the 16th of July. It is contained in the bound volumes which Senators have under their desks, together with the report and the amendments. I later had received notice through the regular procedure that the Senator from Wyoming [Mr. BARRETT], the Senator from Nebraska [Mr. HRUSKA], and the Senator from Delaware [Mr. WILLIAMS] were very much interested in the bill and wished to be notified when it was called up. When the majority leader made inquiry of the minority leader I told him that I had received notification by the Senators from Delaware, Nebraska, and Wyoming, and I sent word to all three that the bill was going to be called up for consideration.

So, I do not think the procedure was any different from the usual procedure. Before we approved the bill for consid-

eration we checked with the ranking Republican Member.

Mr. AIKEN. I do not recall having been consulted at all on the bill. I am very much opposed to anything detrimental to the work in conservation which has been done in the last 2 years.

Mr. KNOWLAND. I may say to the Senator from Vermont that the bill was reported by the Committee on Public Works. I checked the bill with the ranking Republican of that committee, as I always check with the ranking Republican in the case of a bill from any other committee.

Mr. AIKEN. But is not the Committee on Agriculture and Forestry concerned with this matter at all?

Mr. KNOWLAND. The Senator from Vermont was within his rights at any time to ask that the bill be rereferred to the Committee on Agriculture and Forestry.

Mr. AIKEN. Is the Agriculture Committee to be completely ignored, and is a veto power to be given to the Corps of Army Engineers with respect to every little brook or stream in the United States?

We ought to have at least 2 or 3 hours in which to read the report and the bill before being asked to vote on it. But if it is desired to go ahead and pass the bill, then let it be passed, and let the Senate take the consequences. I think such precipitate action is unfair.

Mr. KERR. The Senator from Vermont has had the bill and the report on his desk for 4 days. The bill does not propose to do the things about which the Senator has expressed his fears.

I know of the distinguished leadership which the Senator from Vermont has given in connection with the development of upstream flood control. I say to him that the expansion provided in the bill will fortify such control within the local soil conservation districts, in accordance with the principle he has so long, so carefully, and so ably advocated.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. THYE. I have a copy of a letter which was addressed to the Honorable DENNIS CHAVEZ, chairman of the Public Works Committee, and signed by John C. Lynn, legislative director of the American Farm Bureau Federation. In his letter to the Senator from New Mexico, Mr. Lynn says:

As we interpret the language in section 2 (lines 14-21), no appropriations could be made for works of improvement where the total cost is estimated to be in excess of \$250,000 or which includes structures providing more than 2,500 acre-feet of total capacity, until the plan has been approved by resolutions adopted by both the Senate and House Committee on Public Works. Likewise, our interpretation of section 5, lines 18-25 is to the effect that whenever the estimated Federal contribution to the construction cost of works of improvement exceeds \$250,000 or includes any structures with a total capacity in excess of 2,500 acre-feet, the Secretary is required to transmit a copy of the plan and the justification to the Congress through the President.

My concern is as to whether the objections and the questions raised by the American Farm Bureau Federation are

being corrected by the amendments which the Senator from Oklahoma has offered and by the amendments which are now being proposed by various Senators who are on the floor.

I must certainly have not had an opportunity to study the bill. The Senator from Vermont [Mr. AIKEN], the Senator from North Dakota [Mr. YOUNG], and I are the three ranking Republican members of the Committee on Agriculture and Forestry. I shall not be a party to destroying any part of the soil-conservation work of this Nation which has been so ably carried on under the Department of Agriculture for the past several decades. That is why I raise the question with the Senator from Oklahoma at this time.

Mr. KERR. May I see the communication to which the Senator from Minnesota has addressed himself?

Mr. THYE. Indeed; I hand it to the Senator.

Mr. KERR. In my brief experience in Congress, I saw, for the first time, something during the hearings on the bill which I had never expected to see and had never seen before; that is, the representatives of the American Farm Bureau Federation, the Farmers' Union, and the National Grange all appeared before the committee and were unanimous in their endorsement and approval of the bill as reported by the committee.

The Senator from South Dakota [Mr. CASE] was there throughout most of the hearings, as was the Senator from Nebraska [Mr. HRUSKA], and the Senator from Wyoming [Mr. BARRETT] was in attendance during a part of the hearings.

I may say to my good friend from Minnesota that I had never before seen that situation develop, and had never expected to see it. But the three great organizations were in entire accord, harmony, and agreement in their request for the action which the committee took.

Mr. THYE. May I ask the Senator from Oklahoma if the farm organizations were all in accord with the proposal that the jurisdiction be taken from the Department of Agriculture and placed in the Department of the Interior?

Mr. KERR. Jurisdiction would not go to the Department of the Interior.

Mr. THYE. But reports must be made to the Committee on Public Works.

Mr. KERR. As to the first question asked by the Senator, with reference to the total cost, which was estimated to be in excess of \$250,000, that amendment was to correct an amendment which the Senator from Oklahoma offered a while ago and which was adopted. It related to a typographical error. In one place the reference was to the total cost of \$250,000; in another place the reference was to the total Federal contribution.

The purpose of the amendment is to provide the criteria to the committees of Congress the matter of the Federal contribution, not the total cost.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. BARRETT. The Senator from Vermont suggested a moment ago that the works under the bill would be ad-

ministered by the Corps of Army Engineers. The Senator from Minnesota said they would be administered by the Department of the Interior. Is it not correct that the works under the bill will be administered by the Department of Agriculture?

Mr. KERR. Yes; and by the local soil conservation districts.

Mr. THYE. However, they must report back to the Committees on Interior and Insular Affairs.

Mr. KERR. No, not at all.

Mr. THYE. Then what we are endeavoring to do is to enact legislation with which members of the Committee on Agriculture and Forestry are not familiar, and without a thorough explanation of what the bill proposes.

Mr. KERR. There are Senators present who, in the event of the inability of the Senator from Oklahoma to do so, can explain to the Senator from Minnesota any part of the bill he wishes to have explained.

I now desire to yield to the Senator from South Dakota [Mr. CASE], in whom I feel certain the Senator from Minnesota has some degree of confidence.

Mr. THYE. Mr. President, I do not wish the RECORD to show that, by any stretch of the imagination, I do not have confidence in the Senator from Oklahoma, because I do.

Mr. KERR. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I hope we may come to a vote on the bill. The Senator from Vermont [Mr. AIKEN] indicated that he wished to speak on it for 5 minutes.

The bill was cleared by the policy groups on both sides of the aisle before it was scheduled. If there had been a request that it be held up, that certainly would have been done.

The Senator from Oklahoma was called from a meeting of a committee of conference which is acting on very important administration legislation.

I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I would be the last person to do anything which would interfere with the work of the soil conservation districts.

Mr. Donald Williams, Chief of the Soil Conservation Service, comes from South Dakota. I have great confidence in him. I have discussed the bill with Mr. Williams. I think the bill is satisfactory to him or will be with the change of the word "shall" to "may" in connection with the employment of private engineers.

Yesterday afternoon I had a telegram from Tony Krebs, who is a director of the Association of Soil Conservation Districts in my State. He raised only one question. It went to whether the engineers must be private engineers, or merely might be. He wanted the provision to be discretionary. The bill is being amended to make it discretionary. This was the precise point which I had raised in discussing the matter with other members of the committee. The Senator from Nebraska [Mr. HRUSKA] has prepared an appropriate amendment to do exactly that. To the best of my knowledge, that meets with the desires of the

soil conservation districts and the Soil Conservation Service.

Mr. JOHNSON of Texas. Mr. President, there are 96 potential leaders in the Senate. I could not attempt to confer with all of them. I have conferred with at least 5 or 6 distinguished Members of the minority about the bill.

First, I have never been able to find anyone who is more reliable in the scheduling of matters for consideration and more reliable to consult with than the minority leader. After he had consulted with his staff and the other persons with whom he desired to consult, I announced, as it appears in the RECORD of July 18, 1956, at page 12063, that Calendar No. 2626, H. R. 8750, to amend the Watershed Protection and Flood Prevention Act, had been already cleared by the leadership on both sides of the aisle, that it would be scheduled for consideration, and would be called up at a mutually convenient time. That was done on the 18th of July. I refer Senators to that page of the RECORD.

I may have announced the bill 2 or 3 more times. I tried to do so, so that every Senator might be on notice. The bill is on every Senator's desk.

This morning we have scheduled for consideration the nomination of Paul Hoffman. Following the completion of action on the nomination, it is expected that the executive pay bill will be considered. That is a bill in which the administration is vitally interested. Then there is in conference the customs simplification bill, in which the administration is also very vitally interested.

Since the watershed protection bill was one of the bills scheduled, I tried to arrange for its consideration at a time when the Senator from Oklahoma [Mr. KERR], who is also a member of the Committee on Finance, could be on the floor.

I conferred with the Senator from Delaware [Mr. WILLIAMS], the Senator from Wyoming [Mr. BARRETT], the Senator from Nebraska [Mr. HRUSKA], and the Senator from California [Mr. KNOWLAND]. I hope we may be able to take action on the bill. I have no doubt that the Senate will pass it when it does act on it.

If we must, we can postpone the consideration of much proposed legislation which the Republican administration feels is very important and very necessary, and keep the Senator from Oklahoma occupied discussing the subject generally; but it will be found, when it is all over, that ample notice has been given.

Mr. AIKEN. Mr. President, will the Senator yield for a point of clarification?

Mr. JOHNSON of Texas. I yield.

Mr. AIKEN. A few minutes ago I referred to the fact that the bill required the projects to be approved by the Interior and Insular Affairs Committees of the House and the Senate. I should have said the Committees on Public Works rather than the Committees on Interior and Insular Affairs.

I believe the Senator from South Dakota has the floor. I should like to ask him—

Mr. JOHNSON of Texas. I have the floor, and I yielded 1 minute to the Senator. I understand the bill contains a

provision similar to the administration's provision in the bill to construct buildings all over the country. It permits them to come before certain committees of the Congress and report to them. When the administration bill providing for the construction of post office buildings was up for consideration, there was a provision that the Public Works Committees should be informed of the sites on which it was expected to locate the buildings. This is a similar provision.

Mr. AIKEN. If the purpose is to limit the size of the projects, then I think the sponsors of the bill may be on good ground. I think the size of the projects should be limited by legislation rather than by asking committees to approve this project and that project, about which they know little. Otherwise, we shall get in the same trouble as we are when the Soil Conservation Service asks for a project, and the Army engineers come forward and intimate that if that project is put into effect, everybody down river will be drowned sooner or later. A committee is not in a position to determine which one of the agencies is correct. The Senator from South Dakota said that Mr. Donald Williams, head of the Soil Conservation Service, approved the bill. That was news to me, but I shall accept the Senator's statement that the conservation groups approve of the bill.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Yesterday I received a communication from Mr. Lawrence W. Rittenoure, of Kansas, director of the National Association of Soil Conservation Districts. He indicated that he was in favor of the bill if the employment of professional engineers were made discretionary and not mandatory. I assured him it would be discretionary under the amendment which has been prepared by the Senator from Nebraska.

As to reference of projects to congressional committees, the initiative still rests with the Committee on Agriculture and Forestry. It is only after the projects reach a certain size that there is any referral to the Public Works Committee. The purpose there is to avoid overlapping and possible conflict with larger public works projects.

All projects under the act will still be initiated by the soil conservation districts and be recommended by the appropriate State committees and be reviewed by the congressional committees on agriculture. Only those where the Federal share of the cost exceeds \$250,000 or where the storage exceeds 2,500 acre-feet will be also referred to the Public Works Committees. This is spelled out in the language at page 4 of the bill. I believe these provisions meet the questions which the Senators have asked.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Vermont.

Mr. AIKEN. Am I to understand that the proposed legislation does not interfere with watershed projects where the

Government participation is under \$250,000 or there are no dams impounding over 2,500 acre-feet? It does not interfere with any project holding back 2,500 acre-feet or under?

Mr. KERR. It does not interfere with any projects for storage holding less than 2,500 acre-feet.

Mr. AIKEN. It is only the larger projects which would be referred to the Public Works Committees. Is that correct?

Mr. KERR. Yes.

Mr. AIKEN. In regard to the hiring of engineers let us make this clear for the RECORD—

Mr. KERR. I should like the Senator from Nebraska to answer that question, because it is his amendment that we are asking the Senate to accept.

Mr. AIKEN. Is it the intention of the proposed legislation to require farmers whose work is included in the local participation to hire private engineers for grading the land or draining the land or terracing the land, or work of that kind?

Mr. HRUSKA. Mr. President, an amendment will be proposed which will not require any local organization to hire private engineers except as to those projects which will contain either municipal or industrial water uses above 5,000 acre feet. So that all the work which has been heretofore done under the Watershed Act of 1954 will continue just as it is, with the exception that each local organization will be given the discretion to hire outside engineers, if it wants to.

Mr. AIKEN. The farmer or landowner will have available the advice of the Soil Conservation Service?

Mr. HRUSKA. Not only the farmer, but the local organization. Under agreement with the Secretary of Agriculture, there will still be available the participation of the Soil Conservation Service by way of technical help and engineers, just as heretofore.

Mr. KERR. If they employ private engineering help, it must be with the approval of the Secretary of Agriculture and at his expense.

Mr. HRUSKA. The letter referred to by the Senator from Minnesota from the American Farm Bureau Federation contained objections which are being completely obviated, with one exception, and that is as to the portion referring to section 9, page 4 of the bill, which refers to projects of a certain size being referred to the Committees on Public Works rather than the Agriculture Committees. As the House bill does not contain such a provision, the question will have to be settled in conference between the two Houses.

Mr. AIKEN. If the bill is amended in accordance with the statement of the Senator from Nebraska, it will make it very much more palatable; and with the assurance that the small watershed programs which do not exceed the limits which are set forth in previous legislation are not affected, I would have no serious objection to this bill. I for one shall be very glad to get rid of the responsibility of determining whether large dams—and we have one before us now which I think will cover parts of

both Oklahoma and Texas—are safe dam or not.

However, up to now I had no knowledge of the amendment to be offered by the Senator from Nebraska and my opposition was based on the original text of the bill.

If amended as proposed by the Senator from Nebraska, I will have no objection to its passage.

Mr. JOHNSON of Texas. I understood the Senator from Oklahoma and the Senator from Nebraska had worked out agreements before the bill was scheduled for consideration, and that the Senator from Oklahoma and the Senator from Delaware had a meeting of minds.

Mr. WILLIAMS. I may say to the Senator from Vermont that some of those interested in soil conservation in my State likewise had some concern over the question of the engineers. I have discussed with him the text of the amendment offered by the Senator from Nebraska. I also discussed it with the Senator from Oklahoma. Based on the assurances they gave me previously, and which they have repeated now, the people in my State connected with the soil conservation work are in agreement with the bill as it will be amended. We are assured that their interests are fully protected.

In connection with another question which I discussed with the Senator from Oklahoma, perhaps we can also clarify this to their satisfaction. The same people wanted to make sure that the work of drainage as well as other types of flood prevention, would be taken care of on an equal basis.

Mr. KERR. As a part of flood-control structures?

Mr. WILLIAMS. Yes.

Mr. KERR. That is correct.

Mr. WILLIAMS. I shall read the language which appears in the House report on a similar bill and ask this question: Am I correct that the committee in charge of this bill agree on this same interpretation? We ask this to be sure that the type of drainage in our area is fully covered on an equal basis of other flood-control projects referred to in this bill.

It is the intention of the committee that the term "flood prevention" shall be construed to mean not only land treatment and structures, such as detention reservoirs, but also drainage channels and related improvements to remove excess water caused by precipitation or overflow on flatlands.

Mr. KERR. The Senator is correct.

Mr. WILLIAMS. Am I correct that the intention of the bill is the same as that spelled out in the House report?

Mr. KERR. It is.

Mr. WILLIAMS. With that understanding and with the acceptance of the amendments of the Senator from Nebraska, which will clarify the question about the engineers, I am in complete agreement with the bill.

Mr. JOHNSON of Texas. Mr. President, may we have action on the amendment of the Senator from Oklahoma?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. HRUSKA. Mr. President, to the committee amendment I submit the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 6, in line 19, after the word "services", it is proposed to strike out "shall" and to insert "in such projects as to such structures therein providing for municipal or industrial water supplies, the local organization shall, and in such projects not providing for municipal or industrial water supplies, the local organization may."

In line 22, after the word "cost", it is proposed to strike out "of" and to insert "it may incur for."

And on page 7, in line 3, after the word "organization", it is proposed to insert "which retains or employs a professional engineer or engineers as aforesaid."

Mr. HRUSKA. Mr. President, my amendments to the committee amendment are for the purpose of clearing up the matter of the employment of engineers on watershed projects.

The practice heretofore obtaining will continue to obtain, to wit, the local organizations may resort to the personnel of the soil conservation districts for their engineering services, both in the planning stage and in the construction stage. When, however, the purpose of any of these structures goes beyond flood prevention, and includes the storage of water for municipal or for industrial purposes, then it will be required of the local organization that it retain private engineers for the purpose of the construction thereof, not for the purpose of the original planning.

That is the purpose of my amendments to the committee amendment. They also provide that when outside engineers are employed, the entire services of the engineers shall be paid for as a part of the Federal contribution; and, in addition, there shall be an advance of 5 percent for that purpose to the local organization.

The PRESIDING OFFICER. Without objection, the amendments of the Senator from Nebraska to the committee amendment will be considered en bloc.

Mr. LANGER. Mr. President, will the Senator from Nebraska yield for a question?

Mr. HRUSKA. I yield.

Mr. LANGER. What percentage of the engineers' services will be paid?

Mr. HRUSKA. The entire engineering services are a part of the Federal contribution. But when the local organization contracts for outside engineering services, the Secretary of Agriculture is authorized, on application, to advance to the local organization 5 percent of the estimated construction cost, in order to enable the local organization to get going before it obtains funds of its own.

Mr. LANGER. I thank the Senator from Nebraska.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from

Nebraska [Mr. HRUSKA] to the committee amendment.

The amendments to the amendment were agreed to.

Mr. HRUSKA. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement with reference to the general purposes of the bill, and also the purposes of my amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

The purpose of H. R. 8750 is to amend the Watershed Protection and Flood Prevention Act which became law in 1954 (Public Law 566, 83d Cong.).

The objectives of the act are to enable local units of government to carry out those soil and water management measures of a community nature which cannot be accomplished by individual landowners or water users. It makes provision for help of Federal departmental programs of educational, technical, and financial nature.

The areas covered by its scope lie between the land treatment measures by individual landowners and the major projects on our Nation's main streams as carried out by the Corps of Engineers or the Bureau of Reclamation.

The act deals with one of the Department of Agriculture basic, and one of its most important, programs.

The place and importance of the watershed program is readily seen by considering the first 23 months record of the 1954 act. Between August 4, 1954 (when Public Law 566 became law), and July 3, 1956, the following occurred:

Forty-eight States designated State agencies or made other appropriate arrangements to handle review and approval of applications for assistance as made by local organizations.

Twenty-five States enacted 45 separate pieces of legislation to help implement this law.

Five hundred and forty-one State-approved applications for assistance were received by the Soil Conservation Service.

Several hundred additional applications are being formulated or are now before State agencies for review.

Twenty-four plans had been completed and submitted to Congress. Thirteen projects had been placed in operation. Five of these plans which required resolutions of approval by the Congress, had been reviewed and approved by the Senate and House Committees. Four additional plans were completed and in process of transmittal to the Congress and four more plans were under review by other Federal agencies.

It is estimated that more than 50 additional plans will be ready for submission to the next Congress when it convenes in January, 1957.

H. R. 8750 AMENDMENTS

Amendments to the 1954 act would include the following:

1. The act would, as recommended, permit inclusion in watershed plans works of improvements not only for flood prevention, irrigation, and drainage, but also for non-agricultural purposes such as municipal and industrial water supplies, and streamflow regulation.

2. Total capacity of any single structure that may be included in a watershed plan is increased from 5,000 acre-feet to 25,000 acre-feet, but a restriction would be retained in the law for a 5,000 acre-foot flood detention capacity. This would permit use of storage space in the structures for municipal and industrial water supplies over and above the 5,000 acre-feet.

3. The Federal Government would bear the entire construction cost of work of improvement insofar as flood prevention is concerned; local organizations would bear a proportionate share of the costs of improvements for irrigation, drainage, and other agricultural water management, and local organizations would bear all of the costs of improvements other than flood prevention, irrigation, drainage, and agricultural water management. Provision is made for the financing of such costs to the local organizations.

4. The local organizations would be permitted to employ outside engineers if they chose to do so, in order to assist in the matter of design, preparation of specifications, awarding of contracts, and supervision of construction. As to structures which include storage facilities for water or for municipal or industrial water uses, the local organization would be required to employ outside engineers. Whenever outside engineers would be retained, the cost of engineering would be a part of the Federal contribution. Provision is made for advancement of engineering costs in the amount equal to 5 percent of the estimated cost of construction.

5. Procedures of review by other agencies and for congressional approval are simplified and shortened.

6. The benefits of the amendments made by H. R. 8750 would be extended to the projects heretofore authorized under Public Law 566.

COST SHARING

One of the basic changes in the act as amended has to do with the contribution by the local organization toward the cost of building the works of improvement, or the structures. Under Public Law 566, the local organization would acquire without cost to the Federal Government land, easements, and rights-of-way, and agreed also to operate and maintain the works of improvement. In addition, the local organization would assume a part of the costs of installing any structures in accordance with determination by the Secretary of Agriculture who would consider the anticipated benefits from such improvements. This local contribution will be omitted in the act as amended.

There were some who disagreed with the wisdom of such omission. They argued that public acceptance of this program has been on the basis of local undertakings with assistance from the Federal Government rather than projects planned and built by the Federal Government itself.

There has been willingness of local communities to assume development and management responsibilities including financial contributions for the cost of the structures. The requirements to participate in this cost is wholesome and sound, it is said. In fact, success of the program is said to depend on acceptance by local communities for initiation of the project and for direct participation in its costs. The people must first believe and be convinced in their own judgment that projects are of benefit to themselves and their communities. One of the very best tests in this regard lies in their willingness to assume the costs for those benefits which are direct and which are identifiable with particular beneficiaries. This was the foundation for Public Law 566 as originally enacted.

As administered, it has proved to be equitable and fair. Of the first 30 projects approved by the Department of Agriculture, we find the following breakdown as to costs and contributions. The first item is this:

Gross cost of structures.....	\$21,993,000
Cash cost of construction.....	13,825,000
Paid by local organizations.....	2,453,000

The amount contributed in cash by the local organizations amounted to about 17 percent of the construction costs in cash of those structures. A breakdown of the entire local contributions would consist of the

following: Cash, as indicated above, \$3,453,-000; land, easements, and rights-of-way, estimated present worth of maintenance and operation and miscellaneous costs, \$4,610,000, which is about 32 percent of the gross cost of the structure.

It will be seen from the above figures that the cash contribution of local organizations has been only about 10 percent of the gross cost of the structures.

Those who contended for elimination of cash contribution toward cost of structures, however, cited the lack of uniformity with flood-control projects which are initiated and constructed by the Corps of Engineers. The statute in that connection does not require any cash contribution from the landowners within such an area. It has been argued, therefore, that the people living within flood projects which would be administered by the Department of Agriculture under Public Law 566 should likewise be exempted from any such cash contribution. However, in the hearings before the Senate Public Works Committee, there was testimony from the Department of the Army that since 1954 when the watershed act was passed, the Corps of Engineers has required contributions from the benefited landowners when flood-prevention projects were planned and approved. In fact, of the local flood-protection projects acted on favorably by the Board of Engineers for Rivers and Harbors from May 1954 to April 1956, local contributions totaling 23 percent of the gross cost were required. This compares favorably with 27 percent required by the Department of Agriculture on the 30 projects referred to above, when the computation is made on a comparable basis with that which was used in computing the 23 percent for the Corps of Engineers. While the Department of Agriculture computation shows 32 percent for local contribution, it included a capitalization of the costs of operation and maintenance for a period of 50 years, a factor which was not included in the 27 percent as computed on those same 30 projects by the Corps of Engineers.

In other words, by administrative action, the Corps of Engineers also strove for uniformity by requiring local contributions.

The national administration was in favor of the continuance of that principle as sound. It pointed out that the same was accepted in good grace and with great willingness by localities; it had a tendency to make the programs more efficient and successful because localities would be much more certain of their ground before venturing on such projects if they knew that they themselves had a direct stake in its success. Further, such local contributions for direct and identifiable benefits is in keeping with the spirits of the act, to wit: That such undertakings be local in character with only assistance from the Federal Government, rather than being projects which will be predominantly planned and built by the United States.

Notwithstanding all of these reasons and the position of the administration thereon, the committee conformed with the House version of the amendment, and eliminated the cash contribution of local organizations to the cost of works of improvement or structures.

ENGINEERING SERVICES FOR WORKS OF IMPROVEMENT

Engineering and technical services for the watershed act are in two general classes:

First, those services including such investigations and surveys as may be necessary to prepare plans for works of improvement, and to make such studies as may be necessary to determine the physical and economic soundness thereof, including a determination as to ratio of benefits to costs.

Second, design, preparation of specifications, awarding of contracts, and supervision

of construction in connection with works of improvement, after the contract between the Department of Agriculture and the local organization had been made.

Under Public Law 566 as originally enacted, both classes of these services were rendered by the technicians and engineers in the Soil Conservation Service.

The Senate committee originally decided that since the permissible size of the structures was greatly increased (from 5,000 acre-feet to a limit of 25,000 acre-feet) it would be desirable that the local organization employ professional engineers for the second class of activity described above.

After the bill was reported out on this basis, however, it was pointed out that very likely the number of larger structures would form only a small percentage of all the structures in the plans contemplated. There seemed to be no objection to requiring outside professional engineers on those larger projects, which included storage capacity for municipal or industrial water uses. However, it was strongly felt that as to the other structures which are purely flood preventive in character and the likes of which have been envisioned by Public Law 566 as originally enacted, the technical and professional engineering services of Soil Conservation Service personnel should continue to be used.

AMENDMENT REGARDING ENGINEERS

Accordingly, an amendment was proposed which made it permissible for local organizations to employ outside engineers for any of the projects they chose. However, such outside engineers would be required only on those projects and as to structures therein which provided for storage of municipal or industrial supplies of water. This was deemed satisfactory inasmuch as if such structures were planned and built by any municipality, it necessarily would be required to employ competent professional engineering talent.

The amendments to Public Law 566 provide that the entire cost of engineering services is borne as a part of the Federal contribution. Where local organizations would employ outside engineers by choice or by the requirements set out above, advancements would be made to them to pay for such services, in an amount equal to 5 percent of the estimated cost of construction.

While I prepared and proposed the amendment for engineering services which dealt with this aspect, I want to acknowledge the assistance and cooperation of those who served with me on the committee, and particularly Senator KERR, of Oklahoma, and Senator CASE, of South Dakota. The latter, who had a great deal of experience in this field, was especially helpful in this regard.

It is felt that by and large the amendments proposed in H. R. 8750 will be helpful to the watershed program. Perhaps other amendments may be indicated as we gather more experience and as time passes on. The very fine progress made in the first 2 years of the law shows bright hope for continued advancement which will be greatly accelerated by the adoption of amendments contained in the pending bill.

The PRESIDING OFFICER. If there be no further amendment to be proposed to the committee amendment, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. FREAR. Mr. President, I heard the colloquy between the senior Senator from Delaware [Mr. WILLIAMS] and the Senator from Oklahoma [Mr. KERR] regarding the drainage aspects of the bill, as they might affect the State of Delaware. I should like to associate myself with the questions asked by my senior colleague from Delaware, and I should also like to take advantage of the answers given by the Senator from Oklahoma [Mr. KERR], as they affect the State of Delaware.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 8750) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which House bill 8750 was passed be reconsidered.

Mr. CLEMENTS. Mr. President, I move to lay on the table the motion to reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky [Mr. CLEMENTS] to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I move that the Senate insist on its amendment to House bill 8750, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. McNAMARA, Mr. MARTIN of Pennsylvania, Mr. CASE of South Dakota, and Mr. HRUSKA the conferees on the part of the Senate.

PAUL G. HOFFMAN

The Senate resumed the consideration of the nomination of Paul G. Hoffman to be representative of the United States of America to the 11th session of the General Assembly of the United Nations.

Mr. CASE of New Jersey. Mr. President—

Mr. JOHNSON of Texas. Mr. President, does the distinguished Senator from New Jersey desire to speak on the Hoffman nomination?

Mr. CASE of New Jersey. I do.

Mr. JOHNSON of Texas. For how long?

Mr. CASE of New Jersey. Approximately 2 minutes.

Mr. JOHNSON of Texas. Mr. President, I have talked to Senators on this side of the aisle, and I understand that no other Senator desires to discuss the nomination.

Therefore, Mr. President, I ask unanimous consent that at this time the distinguished Senator from New Jersey may speak for 5 minutes; that at the conclusion of his remarks, there be a quorum call; that when the quorum call is either concluded or the request for it withdrawn, the Senate immediately proceed to vote on the Hoffman nomination.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

July 21, 1956

on the items for this Department is indicated in the attached table.)

53. **PERSONNEL.** Conferees were appointed on H. R. 7619, the executive pay increase and civil service retirement bill. Senate conferees were appointed on July 20. p. 12602
The Post Office and Civil Service Committee reported with amendment S. 2875, to revise the Civil Service Retirement Act (H. Rept. 2854). p. 12661
The Rules Committee reported a resolution for the consideration of S. 3481, to amend the Foreign Service Act of 1946, so as to increase the salaries and provide other benefits for employees in the Foreign Service. p. 12662
54. **CUSTOMS.** Received and agreed to the conference report on H. R. 6040, to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws (H. Rept. 2866). p. 12654
55. **WATERSHEDS.** Conferees were appointed on H. R. 8750, to amend the Watershed Protection and Flood Prevention Act. Senate conferees were appointed July 20. p. 12657
56. **FARM LOANS.** Received the conference report on H. R. 11544, to improve and simplify the credit facilities available to farmers, and to amend the Bankhead-Jones Farm Tenant Act. The conference report includes the following provisions: Eliminates limitation on refinancing loans to part-time farmers for debts against the real estate; authorizes insurance of loans not to exceed \$15,000 for general farm improvement on farms requiring no more than three families; further clarifies eligibility for FHA loans, by eliminating reference to prevailing rates of interest in excess of 5% as a criteria for eligibility; provides that "improvement or refinancing loans (as distinguished from acquisition or enlargement loans) may be made with respect to farms above the "average value" level"; authorizes insurance of second mortgage loans on real estate; accepts the Senate formula for determining the maximum amount of operating loans; authorizes the extension of production loans in hardship cases to ten years from date of loan, without regard to criteria of determined disaster areas; and extends the "economic disaster" loan program for two years and provides an additional \$50 million in loan funds (H. Rept. 2869). p. 12657
57. **FLOOD INSURANCE.** Began debate on S. 3732, to provide insurance against flood damage. pp. 12633, 12637
58. **WOOL IMPORTS.** The Ways and Means Committee reported with amendment H. R. 12227, to amend certain provisions of the Tariff Act of 1930 relative to import duties on wool (H. Rept. 2868). p. 12662
59. **LANDS.** The Interior and Insular Affairs Committee reported without amendment H. R. 12185, to provide that withdrawals or reservations of more than 5,000 acres of public lands of the U. S. for certain purposes shall not become effective until approved by act of Congress (H. Rept. 2856). p. 12661
60. **HOUSING.** The Rules Committee reported a resolution for the consideration of H. R. 11742, to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities. p. 12662
The "Daily Digest" states the Rules Committee cleared for consideration H. R. 12328, to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities. p. D856
61. **RECLAMATION; ELECTRIFICATION.** Agreed to the conference report on S. 497, to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nev. and Calif. p. 12603

62. CONTRACTS. Agreed to the Senate amendments to H. R. 11947, to amend and extend the Renegotiation Act of 1951. This bill is now ready for the President. p. 12603
63. TARIFFS. Passed as reported H. R. 12254, to extend until March 1, 1958, the time in which the Tariff Commission is directed to complete its study and report with respect to recommendations for simplifying our tariff structure as provided in Public Law 768, 83d Congress. p. 12656
64. LEGISLATIVE PROGRAM. Rep. McCormack announced the following program for July 23-27: Monday, Consent Calendar and the following bills under suspension of the rules - omnibus rivers and harbors and Army flood control projects bill, Federal Construction Contract Act relating to subcontractors bill, migrant farm laborers transportation bill, Foreign Service Act amendments bill, International fairs and festivals bill, cranberries marketing bill, Great Plains conservation bill, and USDA point-of-order bill; balance of the week - civilian atomic power bill, second supplemental appropriation bill, housing bill, power rates on Federal projects bill, Farwell reclamation project bill, minimum wages in territories and possessions bill, marketing facilities loan insurance bill, wool import bill, and Fryingpay-Arkansas reclamation project bill; Thursday - Private Calendar. p. 12637
65. ADJOURNED until Mon., July 23. p. 12661

SENATE (continued)

66. APPROPRIATIONS. S. Doc. 143 includes the following items for this Department: Acquisition of Lands for Cache National Forest, \$50,000, to remain available until expended; Salaries and Expenses, Farmers' Home Administration, \$1,400,000; and Salaries and expenses, Office of the General Counsel, \$85,000. The latter two items are contingent upon the enactment of pending legislation to amend Titles I and II of the Bankhead-Jones Farm Tenant Act which would substantially broaden the authority for loans thereunder.

ITEMS IN APPENDIX - July 21

67. SURPLUS COMMODITIES. Rep. Gavins inserted a two part newspaper article with an editor's note explaining "how world-wide commodity sales operations of surplus farm products acquired in its agricultural price-support programs gets Uncle Sam foreign money, and how he spends it abroad. pp. A5748, A5746
68. SOIL BANK. Rep. Hill inserted a newspaper article, "Five Hundred and Ninety-Two Thousand Five Hundred and Three Acres Colorado Land in Soil Bank." p. A5748
69. SOCIAL SECURITY. Rep. Cooper inserted a summary of the principal provisions of the conference agreement on H. R. 7225, the social security amendments bill. p. A5755
70. STOCKPILING. Rep. Multer inserted a newspaper article, written by Willard Rockwell, a former special assistant to Secretary of Defense Wilson, "Stockpiling Opposed-- Government's Actions Said To Cause Severe Loss To Small Business." p. A5758
71. LEGISLATION. Extension of remarks of Rep. Tollefson commenting on some of the bills passed by the Congress this session, including national debt, appropriations, revised farm program. p. A 5759

The bill was reported unanimously by the Committee on Ways and Means. I urge its adoption by the House.

(Mr. REED of New York asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. REED of New York. Mr. Speaker, H. R. 7643, introduced by my distinguished colleague on the Ways and Means Committee, Mr. SIMPSON, of Pennsylvania, amends the Internal Revenue Code of 1954 with respect to the foreign-tax credit for United Kingdom income tax paid with respect to royalties and other like amounts.

The chairman [Mr. COOPER] has explained in detail the provisions of the bill. It was reported unanimously by the committee and I recommend its adoption by the House.

REDEMPTION BY THE POST OFFICE DEPARTMENT OF CERTAIN UN- SOLD FEDERAL MIGRATORY-BIRD HUNTING STAMPS

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5256) to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, to clarify the requirements with respect to the age of hunters who must possess Federal migratory hunting stamps, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 17, insert:

"Sec. 3. (a) Hereafter such quantity of migratory-bird hunting stamps, not sold at the end of the fiscal year for which issued, as determined by the Postmaster General to be (1) required to supply the market for sale to collectors, and (2) in suitable condition for such sale to collectors, shall be turned over to the Philatelic Agency and therein placed on sale. Any surplus stock of such migratory-bird hunting stamps may be destroyed in such manner as the Postmaster General shall direct.

"(b) The fourth sentence of section 2 of the act of March 16, 1934, as amended (48 Stat. 451; 16 U. S. C., sec. 718b), is hereby further amended to read as follows: 'Such stamps shall be usable as migratory-bird hunting stamps only during the fiscal year for which issued.'

"(c) The first and second provisos in the paragraph under the heading 'Migratory Bird Conservation Fund' in the act of June 28, 1941 (55 Stat. 356; 16 U. S. C., sec. 718i) are hereby repealed."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING THE WATERSHED AND PROTECTION AND FLOOD PRE- VENTION ACT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H. R. 8750) to amend the watershed and protection and flood prevention act, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GRANT, HOPE, and AUGUST H. ANDRESEN.

CREDIT FACILITIES AVAILABLE TO FARMERS

Mr. COOLEY (at the request of Mr. ALBERT) submitted the following conference report and statement on the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 2869)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the Bankhead-Jones Farm Tenant Act, as amended, is further amended as follows:

"(a) The following sections of title I of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

"Section 1 (a) is amended by striking from the second sentence thereof the words 'to assist borrowers under this title in making the' and inserting in lieu thereof the words 'or insured for' and by striking the word 'their' preceding the words 'farming operations.'

"(b) Section 1 (b) is amended by inserting after the word 'only' in the first sentence the words 'farm owners', by striking the words '(including owners of inadequate or under-improved farm units)', and by inserting in lieu of the words 'the major portion' the words 'a substantial portion'.

"(c) Section 1 (c) is amended to read as follows: 'No loan shall be made, or mortgage insured, unless the farm is a family-type unit of such size as the Secretary determines to be sufficient to enable the family to carry on successful farming of a type which the Secretary deems can be carried on successfully in the locality in which the farm is situated: *Provided, however, That—*

"(1) loans may be made to veterans or mortgages insured for veterans, as defined in section 1 (b) (2) hereof, who have pensionable disabilities, with respect to farm units of sufficient size to meet the farming capabilities of such veterans and afford them income which, together with their pensions, will enable them to meet living and operating expenses and the amounts to become due on their loans; and

"(2) loans may be made or mortgages insured to owner-operators who are bona fide farmers who have historically resided on

farms and depended on farm income for their livelihood, and who are conducting substantial farming operations on units which are less than family-type units, to repair or improve such farm units, and to refinance indebtedness of the owner incurred for agricultural purposes, if such farms are of sufficient size to produce income which, together with income from other sources, will enable them to meet living and operating expenses and the amounts to become due on their loans; and

"(3) loans in amounts not exceeding \$15,000 per farm for the construction, improvement, repair, or replacement of farm dwellings and other farm buildings on farms the operation of which require no more than three farm families or three farm dwellings may be insured under this act.'

"(d) The second sentence of section 2 (b) is amended by striking the period at the end thereof and inserting a comma and the following: 'except that, for loans under either part of the proviso in section 1 (c) of this title, the certification shall be based on the normal market value of the farm.'

"(e) Section 3 (a) is amended to read as follows:

"Sec. 3. (a) Loans made under this title shall not be in excess of the amount certified by the county committee to be the value of the farm less any prior lien indebtedness, and shall be secured by a first or second mortgage or deed of trust on the farm. Loans may not be made for the acquisition or enlargement of farms which have a value, as acquired or enlarged, in excess of the average value of efficient family-type farm-management units, as determined by the Secretary, in the county, parish, or locality where the farm is located.'

"(f) Section 12 (b) is amended by striking the figure '\$100,000,000' and inserting in lieu thereof the figure '\$125,000,000.'

"(g) Section 12 (e) is amended by striking from the last sentence of item (2) the words 'to carry out the provisions of this title, relating to mortgage insurance' and by inserting in lieu thereof the words 'of the Farmers Home Administration and may be transferred annually to that administrative expense account and become merged therewith.'

"(h) Section 16 (a) is amended by inserting in the first sentence thereof before the word 'mortgages' the words 'or second' and by adding the following sentence at the end of said subsection: 'Loans insured under this section shall not be in excess of 90 per centum of the amount certified by the county committee to be the value of the farm, less any prior lien indebtedness.'

"(i) The following new section 17 is added:

"Sec. 17. Until June 30, 1959, the purposes for which loans may be made or insured under this title shall include the advance of funds for refinancing secured or unsecured indebtedness of eligible farmers on farms of not more than family size who are presently unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance such debts with commercial banks, cooperative lending agencies, or other responsible credit sources at rates and terms which they could reasonably be expected to fulfill. No such loans shall be made to an applicant whose total indebtedness is in excess of the amount certified by the county committee to be the value of the real estate and the reasonable value of the applicant's livestock and farm equipment, unless the aggregate of the outstanding indebtedness shall be adjusted so as to be within such values. The total amount of loans insured in any one fiscal year under this section shall not exceed \$50,000,000.'

"SEC. 2. Title II of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by striking the words 'Production and Subsistence Loans' in the title and inserting in lieu thereof the words 'Operating Loans', and by the amendment of section 21 to read as follows:

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are operators of family-type farms and who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence: *Provided, however*, That loans may be made to operators who are bona fide farmers who have historically resided on farms and depended on farm income for their livelihood, and who are conducting substantial farming operations on units which are less than family-type units, if the units are of sufficient size to produce income which, together with income from other sources, including pensions in the case of disabled veterans, will enable them to meet living and operating expenses and the amounts due on their loans.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No loan may be made to any one borrower under this section which would cause the total principal amount outstanding to exceed \$10,000: *Provided, however*, That an amount not to exceed 10 per centum of the sum made available by annual appropriation for loans under this title may be used for making loans to borrowers, which would cause such indebtedness to exceed \$10,000 but in no event may any loan be made which would cause such indebtedness to exceed \$20,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan except as provided in subsection (d) hereof, shall not exceed seven years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder: *Provided, however*, That in justifiable cases where the Secretary finds that the inability of a borrower to repay his indebtedness under this section within seven years is due to causes beyond the control of the borrower, the Secretary may extend or renew such loans to be repayable in not to exceed ten years from the date the original loan was made, and during such extended term may make additional loans to such persons, if necessary."

"SEC. 3. Except insofar as they affect title III of the Bankhead-Jones Farm Tenant Act, as amended, the following sections of title IV of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

"(a) Section 41 (g) is amended to read as follows:

"(g) Compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers' Home Administration under any of its programs, as circumstances may require: *Provided, however*, That—

"(1) compromise adjustment, or reduction of claims of \$15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

"(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the

debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

"(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

"(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

"(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

"(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee established pursuant to section 42 of this Act; and

"(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim: *Provided, however*, That claims involving a principal balance of \$150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical."

"(b) The first sentence of section 42 (a) is amended by inserting after the word 'county' in each of three places the words 'or area'.

"(c) Section 43 (d) is amended by striking the words 'as family-size farms'.

"(d) Section 51 is amended to read as follows:

"SEC. 51. The Secretary is authorized and empowered to make advances to preserve and protect the security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by or acquired by the Secretary under any programs administered by the Farmers' Home Administration; to bid for and purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; to operate for a period not in excess of 1 year from the date of acquisition, or lease such property for such period as may be deemed necessary to protect the investment therein; to sell or grant rights-of-way or easements over such property; and to sell or otherwise dispose of such property in a manner consistent with the provisions of section 43 of this Act. Any advances or expenditures under this section with respect to any insured loan or insured mortgage shall be paid out of the mortgage insurance fund."

"SEC. 4. Section 1 of the Act of August 31, 1954, as amended (68 Stat. 999; 69 Stat. 223), is further amended by striking the figures '1957' and inserting in lieu thereof the figures '1959' and by striking the figures '\$15

million' and inserting in lieu thereof '\$65 million'."

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
G. M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted language differing from that adopted by the House in a number of respects. The conferees have agreed upon a substitute amendment which in most respects is identical with the bill as it passed the House. Following are the major differences between the House bill and the substitute amendment recommended herewith by the Committee of Conference:

LOANS TO PART-TIME FARMERS

The definition of a part-time farmer appearing in section 1 (c) and also in section 2 of the bill, is almost the same as that adopted by the House. Eliminated from the definition is language inserted by the Senate which would have limited refinancing loans to part-time farmers to debts against the real estate and makes it clear that such loans may cover refinancing of any indebtedness for agricultural purposes, including those secured both by real estate and chattel mortgages.

LOANS FOR TENANT HOUSE CONSTRUCTION AND REPAIR

The conferees accepted a Senate provision authorizing insurance of loans of not to exceed \$15,000 for the construction, improvement, repair, or replacement of farm dwellings and other farm buildings on farms, the operation of which require no more than three farm families or three farm dwellings.

5-PERCENT INTEREST RATE

Eliminated from the conference bill is a Senate provision which would have stricken from the existing language of the act reference to prevailing rates of interest in excess of 5 percent as one of the qualifications for eligibility for an FHA loan. The conferees retained the House language, which retains that provision in existing law, but they point out that it is not the intention of the act being amended nor of the conferees to use the facilities of the Farmers Home Administration for the financing of well-to-do farmers who should be able to obtain adequate credit from other sources and that the reference to payment of prevailing interest in excess of 5 percent in the act is only one of the qualifications established in the act for eligibility for an FHA loan.

"AVERAGE VALUE" CRITERION

The Senate amendment (sec. 1 (e)) would have eliminated from existing law the provision that FHA loans may not be made for the acquisition or enlargement of farms which have a value in excess of the average value of efficient family-type farms in the county. The conference amendment will

licensing requirements on Federal lands not subject to such laws. p. 12783

Passed without amendment S. 3458, to grant leaves of absence to homestead entrymen and to permit suspension of cultivation and improvement operations on homestead and desert land entries. This bill is now ready for the President. p. 12784

32. WATER SUPPLY. At the request of Rep. Ford, passed over S. 2374, to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood control and river and harbor projects. p. 12774

33. FLOOD CONTROL. Passed, under suspension of the rules, H. R. 12080, to authorize the construction, repair, and preservation of certain public works on rivers and harbors for navigation, and Army flood control projects. p. 12812

34. WATERSHEDS. The conferees agreed to file a report (but did not actually file a report) on H. R. 8750, to amend the Watershed Protection and Flood Prevention Act. p. 1869

35. MINING. The Interior and Insular Affairs Committee ordered reported (but did not actually report) S. 3941, relating to certain mining claims which were eligible for validation under the Act of August 12, 1953, but which were not validated solely because of the failure of the owners to take certain action to protect their claims within the prescribed period. p. D868

36. GRAIN STANDARDS. Passed without amendment S. 1400, to protect the integrity of grade certificates under the U. S. Grain Standards Act by providing penalties for persons who knowingly sample grain improperly and for persons who knowingly load or otherwise handle grain deceptively for inspection under the Act. This bill is now ready for the President. p. 12785

37. CROP INSURANCE. At the request of Rep. Byrnes, passed over H. R. 5275, to authorize FCIC to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly-authorized agency of the Commonwealth of Puerto Rico. p. 12794

38. SOIL BANK. Reps. Mason and Anderson objected to the consideration of H. R. 11958, to amend the acreage reserve provisions of the Soil Bank Act to permit inclusion of certain drought damaged acreage up to 30 days prior to harvest. p. 12794

39. GREAT PLAINS. Passed without amendment H. R. 11833, to amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program. Prior to this action, at the request of Rep. Aspinall, the House had passed over the bill during the call of the Consent Calendar. pp. 12805, 12872

40. CONSTRUCTION CONTRACTS. Rejected S. 1644, to prescribe policy and procedure in connection with construction contracts made by executive agencies. Although 245 voted in favor of the bill and 145 against, a two-thirds majority was required since the bill was considered on a motion to suspend the rules. p. 12839

41. FARM LABOR. Passed as reported S. 3391, to provide reasonable requirements regarding comfort, safety, etc., of the interstate transportation of migrant farm workers. p. 12853

42. TRADE FAIRS. Passed as reported S. 3116, to provide for the promotion and strengthening of international relations through cultural and athletic exchanges

and participation in international fairs and festivals. p. 12861

43. WOOL IMPORTS. Rejected H. R. 12227, to amend certain provisions of the Tariff Act of 1930 relative to import duties on wool. Although 216 voted for the bill and 123 against, a two-thirds majority was required since the bill was considered under suspension of the rules. p. 12874
44. TOBACCO. The Ways and Means Committee ordered reported (but did not actually report) H. R. 12114, to provide for the refund or credit of internal revenue taxes paid or payable with respect to alcohol and tobacco products destroyed or rendered unmarketable as a consequence of a major disaster. p. 12869
45. ATOMIC ENERGY. At the request of Rep. Cunningham, passed over H. R. 9743, to encourage maximum development of atomic energy reactors for the generation of low cost electric power and the production, utilization, and treatment of special nuclear and other materials. p. 12775
46. RECORDS. At the request of Rep. Cunningham, passed over S. 2364, to further clarify GSA's jurisdiction over records' disposition. p. 12773
47. VETERANS' BENEFITS; FARM LOANS. Agreed to the Senate amendments to H. R. 9260, to extend the provisions of title III of the Servicemen's Readjustment Act of 1944 for 1 year until July 25, 1958. This bill is now ready for the President. p. 12880
48. SOCIAL SECURITY. Rep. Philbin supported the proposed changes to the Social Security Act providing clarifications and extensions of benefits under the Act. p. 12885
49. PERSONNEL. At the request of Rep. Cunningham, passed over H. R. 11515, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the U. S. and Alaska. p. 12785
Passed as reported S. 3481, to increase the salaries and provide other benefits for employees in the Foreign Service. p. 12854
50. LEGISLATIVE PROGRAM. Rep. McCormack announced that the Consent Calendar would be called on Thurs. and that the cranberries marketing bill would be considered later in the week. pp. 12807, 12880
51. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1957. As reported (see Digest 124), this bill, H. R. 12350, includes the following items: Atomic Energy Commission, various amounts, including funds for the power reactor development program; South-eastern Power Administration, \$500,000; and Bureau of Reclamation, \$2,500,000.

Electrification. The committee report includes the following discussion under the atomic energy items:

"Funds for the reactor program have been increased by \$40,000,000. This \$40,000,000 and the \$10,000,000 in the budget estimate... together with the \$15,000,000 in the budget estimate... will make a total of \$65,000,000 available for acceleration of the power reactor program."

"The Committee has been deeply disturbed for a considerable period of time over the lack of progress in developing atomic electric power..."

"Much has been said and written on the subject of the plentiful resources of the United States. However, there has not been adequate recognition given to the conclusive fact that these resources are not inexhaustible and that they must be conserved. The need for conservation of these natural resources is the

of certain lands or interests therein to the former owners thereof;

S. 2093 (amended), to authorize the Secretary of the Army acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as result of construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River; and

S. 3881, authorizing the demolition and removal of certain greenhouses and other structures on square 576 west in Washington, D. C., and the construction of other facilities in place thereof, at the Botanic Garden Nursery.

The committee also adopted 8 flood control review resolutions and approved 8 lease purchase projects.

WAYS AND MEANS MISCELLANY

Committee on Ways and Means: In executive session ordered favorably reported to the House the following bills:

H. R. 11834, to amend section 2055 (b) of the Internal Revenue Code of 1954 with respect to a charitable deduction for certain bequests subject to a power of appointment;

H. R. 11747, to amend section 223 of the Revenue Act of 1950 relating to the use of corporate property by a shareholder for purposes of determining personal holding company income;

H. R. 12114 (amended), to provide for the refund or credit of internal revenue taxes paid or payable with respect to alcohol and tobacco products destroyed or rendered unmarketable as a consequence of a major disaster;

H. R. 11035 (amended), to provide for the duty-free entry of mosaics designed for the use of any corporation or association organized and operated exclusively for religious purpose;

H. R. 10923, to provide a percentage depletion allowance to taxpayers who remove sand and gravel from navigable waters of the United States;

H. R. 9969 (amended), to permit the readjustment tax in the case of certain amounts received for breach of contract so as to permit the spread of damages over the taxable years covered by the period in which the amount would have been received if the breach had not occurred;

H. R. 12152 (amended), providing for the allowance of the additional 10 percent charitable contribution by individuals to medical research organizations directly engaged in the conduct of medical research in conjunction with a hospital;

H. R. 8905, to exempt from the manufacturer's excise tax on phonograph records those records retailing at 25 cents or less;

H. R. 10957, providing for the free entry of certain stained glass imported for use in the construction of a new sanctuary and auxiliary buildings for the First Presbyterian Church of Stamford, Conn.;

The committee also considered H. R. 4847, providing for the proration of the percentage depletion allowance amendments of 1954 code for fiscal year taxpayers. This legislation was referred to the Subcommittee on Internal Revenue Taxation for study and report to the full committee.

The committee adjourned subject to the call of the Chair.

Joint Committee Meetings

AGREEMENT FOR COOPERATION

Joint Committee on Atomic Energy: Committee held an executive session to discuss the latest amendment to the agreement for cooperation with Great Britain. Witnesses participating in this meeting were AEC Chairman Lewis L. Strauss, Assistant Secretary of State for European Affairs C. Burke Elbrick, and Assistant to the Secretary of Defense Herbert B. Loper.

Committee discussed, but took no action on, H. R. 12234, to amend the Atomic Energy Act of 1954 with respect to the transfer of restricted data for military purposes.

GOVERNMENT PRINTING MATTERS

Joint Committee on Printing: Committee met in executive session, after which it announced that it had: (1) Approved government printing and binding regulations for fiscal year 1957, (2) voted to sustain the Public Printer's offer on wage increases to bookbinders and pressmen, and (3) approved awards for paper for the next quarter (August through October) for \$4,683,497, and awards for envelopes for the next 6 months (August through January) for \$186,511.

D. C. BRIDGE

Conferees, in executive session, agreed to file a conference report on the differences between the Senate and House-passed versions of S. 2568, to amend act authorizing construction of Potomac River bridge to be known as Theodore Roosevelt Bridge.

WATERSHED PROTECTION

Conferees, in executive session, agreed to file a conference report on the differences between the Senate and House-passed versions of H. R. 8750, to amend the Watershed Protection and Flood Prevention Act.

EXECUTIVES' PAY

Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of H. R. 7619, to adjust the rates of compensation of heads of executive departments and of certain other Federal officials, but did not conclude their work and will meet again tomorrow.

D. C. BRIDGE

Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of H. R. 10947, to designate the highway bridge over the Potomac River at 14th Street in the D. C. as Rochambeau Memorial Bridge, but did not conclude their work and recessed subject to call.

COMMITTEE MEETINGS FOR TUESDAY, JULY 24

(All meetings are open unless otherwise designated)

Senate

Committee on Foreign Relations, executive, on S. Res. 298, opposing discrimination against American citizens by foreign nations, 10 a. m., room F-53, Capitol.

Committee on the Judiciary, Internal Security Subcommittee, to hear Jerome D. Fenton, Director of Office of Personnel Security Policy, Defense Department, on the policy, practices, and procedures of the Department of Industrial Security, with particular emphasis on foreign ownership and control, 11 a. m., 318 Senate Office Building.

House

Committee on Government Operations, Subcommittee on Public Works and Resources on Federal power program. Alex Radin, American Public Power Association, and Clay Cochran, National Rural Electric Cooperative Association, will be heard, 10 a. m., F-16 (first floor), Capitol Building.

Subcommittee on Legal and Monetary Affairs, executive, 8:30 a. m., 1537 New House Office Building.

Committee on Interstate and Foreign Commerce, Subcommittee on Transportation and Communications on air space utilization and Grand Canyon airplane accident. Representatives of CAA, CAB, Weather Bureau, and airlines will be heard, 10 a. m., 1334 New House Office Building.

Committee on Merchant Marine and Fisheries, in public hearing on proposal of Fish and Wildlife Service to lease portion of the Kenai National Moose Range, Alaska, to be followed by

executive session to consider report of Special Freight Forwarders Subcommittee, 9:30 a. m., 219 Old House Office Building.

Committee on Public Works, Subcommittee on Rivers and Harbors on pending bills, 10 a. m., 1302 New House Office Building.

Subcommittee on Roads, executive, 10:30 a. m., 1435 New House Office Building.

Committee on Rules, executive session, to consider granting of a rule on S. 256, to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association; S. 3338, relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects; and H. R. 12350, second supplemental appropriation bills, 10:30 a. m., G-12 Capitol Building.

Committee on Ways and Means, executive session, Subcommittee on Customs, Tariffs, and Reciprocal Trade, 2 p. m., P-15 Ways and Means Committee room, Capitol Building.

Subcommittee on Excise Tax Technical and Administrative Problems, executive session, 3 p. m., P-15 Ways and Means Committee room, Capitol Building.

Joint Committees

Joint Committee on Atomic Energy, Subcommittee on Raw Materials, executive, to consider uranium ore procurement and milling programs, to hear Jesse C. Johnson of the AEC, 10 a. m., room F-88, Capitol.

Conferees, executive, on H. R. 7619, executives' pay bill, 2:30 p. m., room P-38, Capitol.

Conferees, executive, for final review of report on H. R. 7225, social security amendments, 11 a. m., room P-15, Capitol.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 25, 1956
For actions of July 24, 1956
84th-2nd, No. 127

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HIGHLIGHTS: Senate agreed to conference report on CCC borrowing bill. House received conference reports on watershed and Public Law 480 bills. Senate passed mutual security appropriation bill. Senate concurred in House amendments to bill to authorize USDA-State exchange of employees. House recommitted civilian atomic power bill. House committee submitted reports on surplus donations in Ill. and experts and consultants. Rep. Wilson, Ind., commended ACP. Sen. Aiken inserted USDA and BB reports on watershed bill. Sen. Humphrey criticized administration "attitude" toward farmer.

HOUSE

1. ELECTRIFICATION; ATOMIC ENERGY. By a 203-191 vote, agreed to a motion by Rep. Van Zandt to recommit H. R. 12061, to provide for a civilian atomic power acceleration program. p. 12996
2. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1957. Passed with amendments this bill, H. R. 12350. The civilian atomic power item was stricken on a point of order raised by Rep. Cannon. p. 13040
3. AGRICULTURAL CONSERVATION PROGRAM. Rep. Wilson, Ind., commended this program and said he is glad USDA officials "have changed their attitude...and are pushing ahead" on the program. p. 13043
4. FORESTRY; ELECTRIFICATION. Rep. Dingell spoke on "give aways" and mentioned the Al Sarena mine case, the grazing bill, and the Dixon-Yates contract. p. 13053

July 24, 195

5. SURPLUS COMMODITIES; PERSONNEL. The Government Operations Committee submitted investigation reports on distribution cost of surplus commodities donated to schools and institutions in Ill. (H. Rept. 2893) and employment and utilization of experts and consultants (H. Rept. 2894). p. 13060
6. AIR POLLUTION. The Small Business Committee submitted a report on air pollution problems (H. Rept. 2895). p. 13060
7. ELECTRIFICATION. The Rules Committee reported a resolution for consideration of S. 3338, relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects. p. 13060
8. FORESTRY. The conferees agreed to report (but did not actually report) on H. R. 5712, to provide that the U. S. hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo Grant and a small area of public domain adjacent thereto. p. D876
9. SURPLUS COMMODITIES; FOREIGN TRADE. Received the conference report on S. 3903, to increase from \$1.5 billion to \$3 billion the authorization under title 1 of the Agricultural Trade Development and Assistance Act. p. 13056
10. WATERSHEDS. Received the conference report on H. R. 8750, to make various amendments to the Watershed Protection and Flood Prevention Act. p. 13055
11. LEGISLATIVE PROGRAM. The "Daily Digest" states that the housing, flood insurance, and fisheries bills will be considered today. p. D875

SENATE

12. CCC. Agreed to the conference report on S. 3820, to increase the borrowing authority of the CCC from \$12 billion to \$14.5 billion, make it a Federal offense to willfully steal or convert property mortgaged to a lending agency under a CCC program, and provide that offenses under the Act involving amounts of \$500 or less be reduced from a felony to a misdemeanor. This bill will now be sent to the President. p. 12948
13. EDUCATION. Concurred in the House amendments to S. 1915, to permit the exchange of employees of this Department with those of State political subdivisions or educational institutions. This bill will now be sent to the President. p. 12947
Sen. Johnson commended the Senate for passage of bill for assistance to schools in areas affected by Federal activities. p. 12972
14. LANDS. Agreed to the conference report on H. R. 5712, to transfer certain title III Bankhead-Jones lands to the Indians of the Zia and Jemez pueblos in N. Mex. p. 12957
15. WATERSHEDS. Sen. Aiken inserted and commented on communications from this Department and the Budget Bureau relative to the Administration's position on H. R. 8750, to amend the Watershed Protection and Flood Prevention Act. p. 12966
16. APPROPRIATIONS. The Appropriations Committee reported H. R. 12350, the second supplemental appropriation bill for 1957 (S. Rept. 2770). Sen. Douglas objected to immediate consideration of the measure. pp. 12968, 12988 (For provisions of interest to this Department see item 30, this Digest)

the purpose of duck stamps and a real breach of the sportsmen's trust. For example, while negotiating for the purchase of land by duck stamp funds Secretary McKay was at the same time completing negotiations for oil leasing in those same tracts of land.

Mr. UTT. Mr. Speaker, in view of the fact that the hour is late and everything being said here has nothing to do with the business of the House, I wonder if the gentleman from Michigan and the gentleman from Wisconsin would not be willing to insert the balance of their remarks in the RECORD so that the working crew can go home. I may suggest in asking that that I will suggest that a quorum is not present unless this request is acceded to.

Mr. DINGELL. Let me say to my colleague that if he will let me read just a little bit more, I will ask unanimous consent to revise and extend my remarks.

Mr. UTT. I was overruled on the point of order, on which I think I was correct, and I shall stand on the request that the gentlemen insert the balance of their remarks in the RECORD.

Mr. REUSS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan be permitted to revise and extend his remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DINGELL. By reason of the objection of the gentleman from California, I will insert the rest of my remarks.

The mismanagement of these vital resources was so flagrant that officials of the Fish and Wildlife Service admitted in the hearing they were not consulted as to leasing. They often did not even know of the granting of leases until they saw the drilling rig either going up, drilling, or pumping oil.

The situation is such that the dear God alone knows how many leases were granted. Certainly the testimony shows that no one in the Department of Interior did. It appears that no one in the Department knew what the situation was and all gave widely conflicting figures. No clear policy was ever fixed as to who could or should grant these leases. It appears in the hearings that almost all branches of the Department in Washington and in the field granted leases with a wild abandon and in complete disregard of the Fish and Wildlife Service and the functions of the refuge program.

It is interesting to note that the Secretary violated, or ignored his own stop order some 54 times. This order was issued by Mr. McKay to stop leasing pending new regulations on the subject of oil and gas leases. It had the effect of giving very substantial preferences to certain favored leasees over the rest of the public and over others who had applications pending for leases.

While some wildlife refuge areas were set aside as inviolate refuges it shows at page 170 of the hearings that these were set aside as inviolate from leasing, and other exploitation not for their wildlife value but because they were geologically barren. I quote from the testimony of Mr. Arthur A. Reimer, Chief, Branch of

Lands, Fish and Wildlife Service, at page 170:

Mr. DINGELL. Actually it would appear that this Okefenokee area is a geologically barren area as for minerals. Isn't that a fact?

Mr. RIEMER. It would appear so, so far.

Mr. DINGELL. Subject to this later evidence which you are going to give us as to mineralization in these areas, it would appear that actually the areas which are preserved as inviolate are actually areas which are barren of mineral resources. Is that not a fact?

Mr. RIEMER. As far as we know.

The conclusion from this is that we must maintain unimpaired our vigilance to protect our fast-dwindling resources from the spoilers who would destroy this priceless asset. It is clear that Mr. McKay did not protect our priceless resources.

In conclusion, I submit these figures. Some five-hundred-and-ninety-odd leases were granted in Federal wildlife refuges in 3-odd years of Republican administration. This figure is not exact because of conflict in administration testimony. At least 193 were issued after an order was promulgated by Mr. McKay supposedly halting this practice. The chief of the branch of lands of the Fish and Wildlife Service knew of only 15 of all this vast number of leases. From 1922 to August 31, 1953, over 30 years preceding this only 25 leases were issued on refuge lands.

This is a part of the conservation record of the present administration. It is all found in a report signed by Democrats and Republicans alike. I hope the people will scrutinize this affair closely.

CONFERENCE REPORTS ON H. R. 8750 AND S. 3903

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] may have until midnight tonight to file conference reports on the bills H. R. 8750 and S. 3903.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The conference reports and statements follow:

CONFERENCE REPORT (H. REPT. No. 2902)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Watershed Protection and Flood Prevention Act (68 Stat. 666) is amended as follows:

"(a) Amend the second and third sentences of section 2 to read as follows: "Works of improvement" any undertaking for—

"(1) flood prevention (including structural and land treatment measures) or

"(2) the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand

acres and not including any single structure which provides more than five thousand acre-feet of floodwater detention capacity, and more than twenty-five thousand acre-feet of total capacity. No appropriation shall be made for any plan involving an estimated Federal contribution to construction costs in excess of \$250,000, or which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the appropriate committees of the Senate and House of Representatives: *Provided*, That in the case of any plan involving no single structure providing more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives and in the case of any plan involving any single structure of more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively."

"(b) Amend section 3 by striking out clause (2), and inserting in lieu thereof the following:

"(2) to prepare plans and estimates required for adequate engineering evaluation;

"(3) to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;"

and by renumbering clauses (3) and (4) as (4) and (5) respectively.

"(c) Amend clause (2) of section 4 to read as follows:

"(2) assume (A) such proportionate share, as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits, of the costs of installing any works of improvement, involving Federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water, and (B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this Act;"

"(d) Add after the word 'landowners' in clause (4) in section 4, the words 'or water users'.

"(e) Strike out the word 'and' at the end of clause (4) in section 4; strike out the period at the end of clause (5) and insert in lieu thereof a semicolon and the word 'and'; and after clause (5) insert a new clause as follows:

"(6) submit a plan of repayment satisfactory to the Secretary for any loan or advancement made under the provisions of section 8."

"(f) Amend section 5 to read as follows:

"SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization with such assistance as it may request from the Secretary, which assistance the Secretary is hereby authorized to give, shall secure engineering and other services, including the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, and in order to properly carry out such services in such projects as to such structures therein providing for municipal or industrial water supplies, the

local organization shall, and in such projects not providing for municipal or industrial water supplies, the local organization may, retain or employ a professional engineer or engineers satisfactory to the Secretary, and the Secretary shall reimburse the local organization for the cost it may incur for the services of such engineer or engineers as is properly chargeable to such works of improvement, except that if the local organization decides not to retain or employ a professional engineer or if the Secretary determines that competent engineering services are not available he may contract for a competent engineer to provide such services or arrange for employees of the Federal Government to provide such services: *Provided*, That at the request of the local organization which retains or employs a professional engineer or engineers as aforesaid, the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated total cost of such works: *Provided further*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: *Provided further*, That whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 or containing any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for flood-water detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army.

"(g) After section 7 insert the following two new sections and renumber subsequent sections of the Act to conform:

"SEC. 8. The Secretary is authorized to make loans or advancements to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans or advancements shall be made under contracts or agree-

ments which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor callable for redemption for fifteen years from date of issue. With respect to any single plan for works of improvement, the amount of any such loan or advancement shall not exceed five million dollars.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

"SEC. 2. The amendments made by this Act shall be applicable to all works of improvement and plans for such works under the provisions of the Watershed Protection and Flood Prevention Act. Any plans for works of improvement with respect to which the Secretary of Agriculture was authorized prior to the date of this Act to participate in the installation of works of improvement in accordance with such plan, or any plan for works of improvement which has received prior to the date of this Act the approval of congressional committees, as required by such Act, need not be submitted to the congressional committees as required by the Watershed Protection and Flood Prevention Act as amended by this Act."

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

DENNIS CHAVEZ,
ROBERT S. KERR,
ALBERT GORE,
PAT McNAMARA,
EDWARD MARTIN,
FRANCIS CASE,
ROMAN L. HRUSKA,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted language differing in a number of respects from that adopted by the House. The conference report herewith submitted is a substitute amendment which differs from the House provisions of the bill in the following major respects:

(1) The waiting period of 45 days (recently reduced to 15 by H. R. 11873) before work can start on a project after the plans have been submitted to Congress, and the requirement in existing law that projects involving dams above a certain size must also be approved by the Committees on Agriculture before appropriations may be made, is replaced by a new provision that—

(a) Exempts projects involving less than \$250,000 of Federal contribution to construction costs and containing no structure having more than 2,500 acre-feet capacity from the review by other Federal agencies and the Congress;

(b) Eliminates the waiting period presently contained in the act; but

(c) Requires approval by the "appropriate committees" of all projects submitted to Congress before appropriations therefor may be made and declares that in the case of

projects not involving a structure providing more than 4,000 acre feet of total capacity, the appropriate committees will be the Agriculture Committees of the House and Senate and that in the case of projects involving any structure with a total capacity in excess of 4,000 acre feet, the Public Works Committees of the House and Senate shall be the appropriate committees.

(2) Revises section 5 of the act to provide for the employment of professional engineers and other professional services for the design, preparation of contracts and specifications, awarding of contracts and supervision of construction. In the case of structures for municipal or industrial water supplies the local organization is required to secure such professional services but must be reimbursed by the Secretary of Agriculture for the cost of such services. In the case of other types of structures and facilities authorized under the act, the local organization may retain such professional assistance or may call upon the Secretary to perform any or all of such services for the local organization. This will not preclude use of both Government and private engineers on multiple-use structures. Although the wording of section 5 as agreed upon by the conferees is substantially different from the existing section in the act, it does not change nor diminish in any respect the authority and responsibility of the Secretary to cooperate with local agencies in all phases of the planning, development and construction of works of improvement authorized by the act and to participate fully in such planning and construction to the extent agreed upon between the Secretary and the responsible local agency.

(3) Places an upper limit of 25,000 acre feet total capacity on the size of any single structure which may be included in a watershed plan.

(4) Requires the preparation of plans and estimates needed for "adequate engineering evaluation".

(5) Requires an allocation of costs to various purposes.

(6) Broadens the safeguarding of State water rights by making the act applicable to "water users" as well as "land owners".

(7) Provides that Federal loans or advancements to local organizations may not exceed five million dollars on any one project.

(8) Extends the benefits of the amendments to the act made by this bill to projects heretofore authorized.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

CONFERENCE REPORT (H. REPT. No. 2903)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3903) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 103 (b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480, Eighty-third Congress), is amended by striking out '\$1,500,000,000' and inserting in lieu thereof '\$3,000,000,000'."

"SEC. 2. Section 104 of the Act is amended by inserting after subsection '(1)' the following new subsection:

AMENDING THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

JULY 24, 1956.—Ordered to be printed

Mr. COOLEY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 8750]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That the Watershed Protection and Flood Prevention Act (68 Stat. 666) is amended as follows:*

(a) *Amend the second and third sentences of section 2 to read as follows: “‘Works of improvement’—any undertaking for—*

“(1) flood prevention (including structural and land treatment measures) or

“(2) the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of floodwater detention capacity, and more than twenty-five thousand acre-feet of total capacity. No appropriation shall be made for any plan involving an estimated Federal contribution to construction costs in excess of \$250,000, or which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the appropriate committees of the Senate and House of Representatives: Provided, That in the case of any plan involving no single structure providing more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Agriculture and Forestry of the

Senate and the Committee on Agriculture of the House of Representatives and in the case of any plan involving any single structure of more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively."

(b) Amend section 3 by striking out clause (2), and inserting in lieu thereof the following:

"(2) to prepare plans and estimates required for adequate engineering evaluation;

"(3) to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;"

and by renumbering clauses (3) and (4) as (4) and (5) respectively.

(c) Amend clause (2) of section 4 to read as follows:

"(2) assume (A) such proportionate share, as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits, of the costs of installing any works of improvement, involving Federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water, and (B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this Act;"

(d) Add after the word "landowners" in clause (4) in section 4, the words "or water users".

(e) Strike out the word "and" at the end of clause (4) in section 4; strike out the period at the end of clause (5) and insert in lieu thereof a semicolon and the word "and"; and after clause (5) insert a new clause as follows:

"(6) submit a plan of repayment satisfactory to the Secretary for any loan or advancement made under the provisions of section 8."

(f) Amend section 5 to read as follows:

"SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization with such assistance as it may request from the Secretary, which assistance the Secretary is hereby authorized to give, shall secure engineering and other services, including the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, and in order to properly carry out such services in such projects as to such structures therein providing for municipal or industrial water supplies, the local organization shall, and in such projects not providing for municipal or industrial water supplies, the local organization may, retain or employ a professional engineer or engineers satisfactory to the Secretary, and the Secretary shall reimburse the local organization for the cost it may incur for the services of such engineer or engineers as is properly chargeable to such works of improvement, except that if the local organization decides not to retain or employ a professional engineer or if the Secretary determines that competent engineering services are not available he may contract for a competent

engineer to provide such services or arrange for employees of the Federal Government to provide such services: Provided, That at the request of the local organization which retains or employs a professional engineer or engineers as aforesaid, the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated total cost of such works: Provided further, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: Provided, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: Provided further, That whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: Provided further, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 or containing any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: Provided further, That, prior to any Federal participation in the works improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army."

(g) After section 7 insert the following two new sections and renumber subsequent sections of the Act to conform:

"SEC. 8. The Secretary is authorized to make loans or advancements to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans or advancements shall be made under contracts or agreements which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor callable for redemption for fifteen years from date of issue. With respect to any single plan for works

of improvement, the amount of any such loan or advancement shall not exceed five million dollars.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

SEC. 2. The amendments made by this Act shall be applicable to all works of improvement and plans for such works under the provisions of the Watershed Protection and Flood Prevention Act. Any plans for works of improvement with respect to which the Secretary of Agriculture was authorized prior to the date of this Act to participate in the installation of works of improvement in accordance with such plan, or any plan for works of improvement which has received prior to the date of this Act the approval of congressional committees, as required by such Act, need not be submitted to the congressional committees as required by the Watershed Protection and Flood Prevention Act as amended by this Act.

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

DENNIS CHAVEZ,
ROBERT S. KERR,
ALBERT GORE,
PAT MCNAMARA,
EDWARD MARTIN,
FRANCIS CASE,
ROMAN L. HRUSKA,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted language differing in a number of respects from that adopted by the House. The conference report herewith submitted is a substitute amendment which differs from the House provisions of the bill in the following major respects:

(1) The waiting period of 45 days (recently reduced to 15 by H. R. 11873) before work can start on a project after the plans have been submitted to Congress, and the requirement in existing law that projects involving dams above a certain size must also be approved by the Committees on Agriculture before appropriations may be made, is replaced by a new provision that—

(a) Exempts projects involving less than \$250,000 of Federal contribution to construction costs and containing no structure having more than 2,500 acre-feet capacity from the review by other Federal agencies and the Congress;

(b) Eliminates the waiting period presently contained in the act; but

(c) Requires approval by the "appropriate committees" of all projects submitted to Congress before appropriations therefor may be made and declares that in the case of projects not involving a structure providing more than 4,000 acre-feet of total capacity, the appropriate committees will be the Agriculture Committees of the House and Senate and that in the case of projects involving any structure with a total capacity in excess of 4,000 acre-feet, the Public Works Committees of the House and Senate shall be the appropriate committees.

(2) Revises section 5 of the act to provide for the employment of professional engineers and other professional services for the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction. In the case of structures for municipal or industrial water supplies the local organization is required to secure such professional services but must be reimbursed by the Secretary of Agriculture for the cost of such services. In the case of other types of structures and facilities authorized under the act, the local organization may retain such professional assistance or may call upon the Secretary to perform any or all of such services for the local organization. This will not preclude use of both Government and private engineers on multiple-use structures. Although the wording of section 5 as agreed upon by the conferees is substantially different from the existing section in the act, it does not change nor diminish in any respect the authority and responsibility of the Secretary to

cooperate with local agencies in all phases of the planning, development, and construction of works of improvement authorized by the act and to participate fully in such planning and construction to the extent agreed upon between the Secretary and the responsible local agency.

(3) Places an upper limit of 25,000 acre-feet total capacity on the size of any single structure which may be included in a water-shed plan.

(4) Requires the preparation of plans and estimates needed for "adequate engineering evaluation."

(5) Requires an allocation of costs to various purposes.

(6) Broadens the safeguarding of State water rights by making the act applicable to "water users" as well as "landowners."

(7) Provides that Federal loans or advancements to local organizations may not exceed \$5 million on any one project.

(8) Extends the benefits of the amendments to the act made by this bill to projects heretofore authorized.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.



THE COMMUNIST CONCEPT OF WAR

From the standpoint of Communist theory, the leaders of the Soviet Union during the past 39 years have had a preference for either limited war or unconventional warfare, based on the ideas of Marx, Engels, Lenin, and Stalin, who believed that war was to be thought of primarily as an economic, diplomatic, and political struggle and only secondarily as military in nature. To be sure, armed might and violence are recognized as the shield and sword of communism, but they are logically viewed as means to the end and not as ends in themselves. Few men have understood the use of armed force better than the Communists, and even fewer have mastered so well the manipulation of force to attain political objectives.

Most significant of all Communist theories about war are the twin concepts that: (1) Times is on the side of Marxism-Leninism. (2) There will be no necessity for waging all-out war since communism will triumph throughout the entire world after a series of struggles with non-Communist states. This thesis is a recurring one and is to be found in the statements of Communist writers from 1917 down to the present day. It is highlighted, however, by recent utterances of top Soviet leaders. Kaganovich, Soviet Deputy Premier, recently stated that "the 20th century is a century of the triumph of socialism and communism" and that "we have marched and we will march forward—and only forward—to the complete victory of communism." Molotov repeated this idea when he said that "the question of recognition is the question of time."

THE PROSPECTS FOR LOCAL AGGRESSION

A glance at a schoolboy's globe illustrates the possibilities which the Communists might exploit by means of limited or unconventional warfare. As was demonstrated by the case of Guatemala, Latin America is a constant source of concern.

In the Far East, fighting may be renewed in Korea or may begin against Formosa. The Republic of the Philippines may call for American help to meet new Communist disturbances. Guerrilla fighting and other forms of unconventional warfare continue in Malaya, while in Vietnam, Laos, and Cambodia, the prospects of further aggression are ominous. Thailand is menaced by strong Communist pressure, as is Indonesia. In all of these cases the possibilities of limited war appear much more likely than a total conflagration.

From Pakistan to Turkey and Grece and down through the Near East and Africa, continuous pressures are at work—Soviet generated or otherwise—which could require limited operations in order to restore stability. For example, the Arab-Israel situation, always in a state of ferment, is now explosive, and the expressed concern of the United States Government could be interrupted as recognition of the possible necessity for military action to establish order in that quarter. The threats posed here are, however, again threats of creeping aggression, and the Soviet leaders have actually forecast their intentions for local moves. Communist Party Chief Krushchev recently told the Turkish Ambassador to the Soviet Union that "Turkey was foolish to remain in NATO since, if there is any difficulty, Turkey will be the first to be eaten up and your friends will not be able to help you."

More recently, Soviet overtures to certain Arab states and Afghanistan fall into the familiar pattern. The British-American caveat that they may intervene by air action in the Arab-Israel dispute is not likely to concern either of the contestants, or the Communists on the sidelines. Having announced to the world that she will not initiate atomic war, the United States is likely to intervene, if she so decides, with conven-

tional land forces supported by conventional naval and air forces. Should she become embroiled in such an area, it would presumably be to a distinctly limited extent.

Even in the NATO area, a limited war could occur, as in the case of East Germany moving forces to unite with West Germany or an action over Berlin.

The possibilities of limited aggression without the gamble of a worldwide war appear to be almost universal. And the probabilities of limited war appear to be shaping up even more strongly in specific areas.

BASIS FOR AMERICA'S STRATEGY FOR PEACE AND SECURITY

The sober truth is that the United States now stands at a great crossroads of history. The Nazis were bad enough, but they would overplay their hand. The Communist threat is more dangerous than the Nazi in the ratio of the Communist unwillingness to gamble. And the Communist skill is markedly better in all the adjuncts of limited and unconventional warfare: espionage, sabotage, fomenting of strikes and disorders, propaganda, political warfare, and localized aggression.

It would follow that the United States should, therefore, abandon the defensive in dealing politically with the Communists. Only by going over to the strategic initiative can we hope to engender a climate of relative peace. Fundamentally, this calls for the United States to pursue a positive, dynamic grand strategy.

We must alter our strategic thinking and our armed strength so as to deal with the most likely threats. We have geared ourselves largely for an unrestricted atomic war—a war which neither side stands to win, a war which, least of all for the American people, makes no sense under any circumstances. It seems axiomatic that we will not, should not, and need not set off an all-out war. And the course of history shows that, for their part, the Communists have every reason carefully to avoid it.

This is by no means an attack on the doctrine of strategic air power. Numerous authorities have exposed the fallacies of overreliance on a particular weapons system. They grant fully the indispensability of superior air forces and most would agree with Sir Winston Churchill's observation that if the H-bomb should create a "peace of mutual terror" it will have served a good purpose.

But extreme interpretations of Douhet and Mitchell have led many people in the United States to accept notions of a frightful panacea. Our present military capabilities are by no means what people would like to think. The earlier hope that an enemy could be crushed by aerial bombardment at no cost to ourselves began to lose luster with the Soviet's first atomic explosion in 1949. If that concept of winning a war ever had any merit, the present situation calls for a different outlook. Yet the United States continues to maintain a military posture rooted to a large extent in that outmoded idea.

For some strange reason, we are pretty much wedded to the irrational belief that some kind of absolute war is inevitable. As to general war, whether one accepts the strategic air power concept of a short atomic war, or whether one doubts this concept and envisages ultimately a modernized, lengthy, continental campaign, the fact remains that other possibilities exist.

The United States—and the other democracies—have tended in modern times to draw a distinct line between war and peace. This was not always so for the United States. During much of our existence we engaged in "little" wars which we approached in the way that Jefferson attacked the problem of Barbary pirates—the minimum force to accomplish the maximum political effect.

Increasingly, however, and especially since World War I, we, as well as the other democracies, have come to accept the idea that there is no middle ground between all-out peace and all-out war. We seem ready either to embrace our would-be opponents and be friends or to go to the other extreme and crush them into dust.

With the development of atomic weapons, we find that the dilemma has been heightened by an inhibition on the part of the West in reacting to localized aggression because of the fear that firm action could lead to general nuclear war. This has been compounded by a tendency toward overreliance on the part of the United States and the other free world nations on the deterrent effect of atomic superiority. We have committed the dual error of believing that our atomic arsenal gives us more power than it actually does and yet fearing the consequences of that power to an inordinate extent. Meanwhile, the Communists, taking advantage of the fears of the West as well as its capability to engage largely in one method of warfare, move ahead with justifiable confidence.

THE OBJECT OF WAR

Wars are not fought for military objectives as is a battle or a campaign, but they are waged for the political arrangements thereafter which will permit the maintenance of a viable peace. As Liddell Hart put it, "Strategy has to reduce fighting to the slenderest possible proportions." Certainly, this makes sense. One can argue that war is an inevitable part of human development, and that may very well be true. One also can point out the great contributions made to civilization by the talents produced by warfare. There is even some validity in the idea that a people needs to shed blood from time to time in order to prove its right of survival. Throughout history the word "sacrifice" has had a connotation closely related to the progress of mankind. These and other philosophical observations, are surely of great interest, but the main point is that war is a part of our lives.

We must accept the fact of war and then look at it from the standpoint of the best national interests. We should adopt a philosophy that the United States, when it must, should engage in war on its own terms and should be able and willing to wage war in such ways as to do least harm to our national well-being. For a few short years our atomic monopoly led us to believe that we had a solution to our problem. Even in the face of that monopoly, however, the Communists proceeded to challenge our national interests by gaining sway over half a billion people and a large portion of the earth's surface.

Our national policy should by no means call invariably for the application of military power to an absolute degree. National policy should be served by our strategy, not dictated or paralyzed by inflexible military capabilities—or perhaps we should say incapacities. National policy may actually require a wide variety of applications of armed force ranging from minor police actions to the complete annihilation of an enemy.

Looking at another root of our trouble, much has been said elsewhere about the fallacy of the strategic air, short-war concept. We need only stress that the popular appeal of this great oversimplification has created attitudes that work against a proper national military posture.

Our allies also are a key part of this puzzle. Perhaps we have hoped for too much. In our military and economic assistance to them, we have extended our tendency to buy the world. With rare exceptions, our foreign aid has fallen short of its mark. Allies and friends are indispensable, but there is only so much they can do. We

should anticipate that, in all but a few cases, our allies may not be able to resist local aggression without the assistance of United States forces as well as material aid.

We cannot too often take stock of the object of war. In essence it is to further a nation's interests, which usually are either to gain more or to hold what they have. The question of war's inevitability is secondary, for it is conflict among nations with which we should concern ourselves. Conflict is ever present, and, depending upon the strength and will of the principal nations, international conflict may or may not burst into uncontrollable war. Every lesson of history and every train of logical thought and commonsense points to this conclusion: If liberty-loving peoples will stand together and act firmly against aggressors, the world conflict can be kept within manageable bounds.

THE ALTERNATIVES TO LIMITING WARFARE

What are the alternatives to a policy of readiness and willingness to engage in limited warfare whenever and wherever our honor and our interests are at stake?

Unless the United States develops fully the capability to deter or suppress aggression short of general war, any of the following may result:

1. Situations short of general war may expand into general war.
2. Continuing limited gains by the Communist bloc eventually could detract from the free world's ability to deter or win general war.
3. Repeated success in limited wars could lead to a Communist calculation that the remainder of the free world can be subdued without resorting to general war.
4. A large part of the free world might fall to local aggression, leaving the United States more or less isolated and faced with the choice of meeting Communist terms or of fighting against great odds.

THE MILITARY REQUIREMENTS FOR LIMITED WAR

The free world has land, sea, and air forces deployed about the Communist periphery, but in almost every area where local aggression might occur, the thin line of free world strength could not without reinforcement repel a determined Communist advance. Most of our allies would be hard put indeed to provide additional forces without a long period of mobilization. Comparatively speaking, the Communists are ready. The inference is that the burden falls on the United States to be able to assist our friends—materially, and with the presence of our Armed Forces. Part of this reinforcement could come from our forces now overseas, but much of it would have to come from the United States proper.

The key to the problem of limited aggression then is mobility—land, sea, and air—mobility which permits us to meet the threat as it arises and enhances our ability to reinforce more quickly than can the aggressor. We must have the capability of delivering relatively powerful forces of men and materiel rapidly to any part of the world. This is not an isolated military solution, but a realistic possibility. It is realistic technologically and economically, and it is realistic in light of the threat.

In short, the free world's strategy must meet the many-pronged threat by prudent preparation for general war; but, equally important, the free world must accept limited war as something which we are now able and willing to cope with. It seems apparent that this calls for greater armed strength than we now have.

We should not equate war with total, atomic war. We should not fear the idea of war so greatly that we neglect the most likely kinds. Neither ought we to look upon strategic air power as the equivalent of national survival or the main bulwark of national interest. Nor should we accept the notion that the use of atomic weapons on

military targets must lead to unrestricted atomic war, for it is quite probable that military targets can be defined and the use of atomic weapons can be limited to the battlefield.

Another dangerous shibboleth is raised on the subject of limited war. It alleges that a big power cannot fight a little war. This is not merely nonsense—it is deadly, dangerous nonsense. If more of the major powers had been willing to engage in limited operations, the entire course of the twentieth century might have been different. Limited war has typified history's great periods of relative peace. The limiting of war should be the primary military instrument of our national policy. We should not go out of our way to fight limited wars—they are generally frustrating affairs at best—but history, logic, and our leading role in world affairs all point clearly to our responsibility to stop local outbursts and nibbling aggression. A powerful nation is no more identical with all-out war than is a strong police force equivalent to all-out crime.

President Eisenhower, with his unequalled experience as a military man and in the arena of international statesmanship, has demonstrated repeatedly his belief that war can and should be limited. His farsighted proposals for the control of atomic energy and for disarmament, have been matched by a prudent insistence that the United States maintain not only deterrent strength against a large war, but that she be prepared to stand by those who love freedom in preventing local aggression. It is in this latter role as freedom's champion that the United States must henceforth be ready to engage in limited military operations to discourage the creeping aggression which has engulfed so large a part of the world. This readiness and a stout heart are the hope of the American people—and of mankind. For, to paraphrase Pitt's advice to Britain in an hour of peril, America can save herself by her own exertions and help to save the rest of the world by her example.

PROPOSED CIVIL RIGHTS LEGISLATION

Mr. DOUGLAS. Mr. President, I ask unanimous consent, out of order, to submit a resolution reading as follows:

Resolved, That the Committee on Judiciary be, and it is hereby, discharged from the further consideration of the bill, H. R. 627, to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, I had thought that this question had practically exhausted all its headline value, but it seems it has not. I have stated heretofore that I would object, and I do object.

The PRESIDING OFFICER. Objection is heard.

ACQUISITION OF NON-FEDERAL LAND WITHIN BOUNDARIES OF NATIONAL PARKS

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from California such time as he may desire.

Mr. KNOWLAND. Mr. President, on July 23, at the instance of the Senator from Wyoming [Mr. BARRETT], the Senate amended the title of House bill 9591,

a bill to amend the act of August 31, 1954 (68 Stat. 1037), relating to the acquisition of non-Federal land within the existing boundaries of any national park, and for other purposes.

It has subsequently been called to his attention that there was no need for such amendment to the title of the bill, and that the title of the bill as passed by the House was correct. I therefore move that the Senate reconsider its action in this respect, and that the House be requested to return the bill to the Senate for appropriate action.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

JUVENILE DELINQUENCY IN ALASKA

Mr. KEFAUVER. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I wish to submit to the Senate, from the Committee on the Judiciary, the interim report of the Subcommittee To Investigate Juvenile Delinquency, dealing with juvenile delinquency in the Territory of Alaska.

Mr. DOUGLAS. Mr. President, is this a report of a committee?

Mr. KEFAUVER. It is.

Mr. DOUGLAS. Mr. President, this should normally be submitted during the morning hour. We are not privileged to have a morning hour because of the process of recessing rather than adjourning. I must object.

The PRESIDING OFFICER. Objection is heard.

REPORT OF A COMMITTEE

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, on behalf of the Committee on Government Operations, I report three bills favorably.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Should not these reports normally be submitted during the morning hour?

The PRESIDING OFFICER. It is customary for reports of committees to be submitted during the morning hour.

Mr. DOUGLAS. We did not have a morning hour.

Mr. McCLELLAN. I ask unanimous consent to submit the reports at this time.

Mr. DOUGLAS. Reluctantly, I must object.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT — ADMINISTRATION POSITION

Mr. AIKEN. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to the Senator from Vermont 1 minute.

Mr. AIKEN. Mr. President, last Saturday the Senate considered House bill 8750, a bill to amend the Watershed Protection and Flood Prevention Act. At that time I was under the impression that this bill had been approved by the Department of Agriculture and the administration. I find that is contrary to the fact, so I ask unanimous consent to have inserted in the RECORD a telegram which I have received from Mr. E. L. Peterson, Assistant Secretary of Agriculture; also a copy of a letter which I have received today from the Bureau of the Budget; a copy of the report on the bill sent to the chairman of the Committee on Agriculture and Forestry on April 16 by the Department of Agriculture; also a copy of a letter addressed to the chairman of the Committee on Agriculture and Forestry by the Assistant Director of the Bureau of the Budget, Robert E. Merriam, dated May 15, 1956.

I make this request for the purpose of clarifying the position of these two agencies of Government.

The PRESIDING OFFICER. Is there objection?

There being no objection, the items referred to were ordered to be printed in the RECORD, as follows:

FORT COLLINS, COLO., July 23, 1956.

Senator GEORGE D. AIKEN,
Senate Office Building,

Washington, D. C.:

Department of Agriculture does not support S. 8750. Department's position set forth in my testimony during hearings and in S. 3727.

E. L. PETERSON,
Assistant Secretary, United States Department of Agriculture.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 23, 1956.

Hon. GEORGE D. AIKEN,
United States Senate,
Washington, D. C.

MY DEAR SENATOR AIKEN: In furtherance of our telephone conversation this morning, I am herewith submitting to you a more detailed explanation of the administration position concerning H. R. 8750, a bill to amend the Watershed Protection and Flood Prevention Act.

The Department of Agriculture, in a letter dated April 16, 1956, addressed to the chairman of the Committee on Agriculture and Forestry of the Senate (copy enclosed), submitted a proposed draft of a substitute bill (which is now in print as S. 3727) which set out the Department's recommendations in this area. It should be noted that the Department recommended against changing the cost sharing provisions of the existing law. Their position in this matter was amplified by the statement of Assistant Secretary Peterson before the Subcommittee on Conservation and Credit of the House Agricultural Committee where he appeared on February 14, 1956. An excerpt from his statement follows:

"A fourth amendment would provide, 'That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention.' We feel that this amendment defeats the concept of cost sharing presently embodied in the act which provides that, 'local organizations shall assume such proportionate share of the cost of any works of improvement involving Federal assistance as may be determined by the Secre-

tary to be equitable in consideration of the anticipated benefits from such improvements.' In other words, cost sharing should be determined as between the local sponsors of projects and the Federal Government on the basis of the ratio of direct identifiable local benefits to total benefits. Local land-owners or other benefited interests should participate in project costs to the extent of their benefits. As to projects developed thus far we have, however, fully recognized the individual peculiarities of each."

The Bureau of the Budget indicated its objections to S. 3023 (which is similar to H. R. 8750) in a letter of May 15, 1956, to the chairman of the Senate Committee on Public Works (copy enclosed).

I hope that this will clarify our views on this subject.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant to the Director.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 16, 1956.
Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of March 7, 1956, for a report on S. 3371, a bill to amend the Watershed Protection and Flood Prevention Act.

The Department recommends substitution of the attached "draft of bill to amend the Watershed Protection and Flood Prevention Act," which has the approval of the Bureau of the Budget, for the present provisions of S. 3371 and enactment of the bill as so amended.

S. 3371 would amend the Watershed Protection and Flood Prevention Act (Public Law 566, 83d. Cong.) to broaden the application of the act and permit the Department to share in the cost of providing capacity for the storage of water for various purposes; to permit the inclusion in plans for works of improvement of structures providing more than 5,000 acre-feet of total capacity if each such structure will be constructed by a local organization, does not contain more than 5,000 acre-feet of flood prevention capacity, and the construction cost of all capacity above 5,000 acre-feet will be borne by the local organization; to provide that local organizations shall not be required to assume any part of the construction cost of structural measures applicable to flood prevention; to eliminate the terminal date of July 1, 1956, after which the Department of Agriculture could not contract for installing works of improvement; to exempt from review by other Federal agencies and from transmittal to the Congress of plans involving an estimated Federal contribution to construction costs of less than \$250,000; to authorize the Secretary to make long-term loans to local organizations to finance the local share of project costs; and to make the act also applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

The recommended substitute draft bill would revise the definition of "works of improvement" as contained in section 2 (1) of the Watershed Protection and Flood Prevention Act to include in addition to flood prevention, "associated measures for the conservation, development, utilization, and disposal of water"; would provide that the Federal Government shall not bear, under the provisions of the act, that part of the construction cost for providing any capacity in structures for any purpose, except capacity for flood prevention, which is applicable to the production of direct identifiable benefits; would authorize the Secretary to make loans for periods of up to 50 years in amounts not in excess of \$5 million on any single plan for works of improvement to local organizations to finance the local share of the costs; and would make the act also applicable to

Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

Broadening the application of the Watershed Protection and Flood Prevention Act and the provisions for cost sharing by the Department as proposed in the recommended draft bill will further the development and efficient use of land and water resources. Under section 2 (1), as amended, capacity for flood prevention as well as for the conservation, development, utilization, and disposal of water would be included in structures constructed under its provisions. Section 2 (2) is unchanged and provides for works of improvement for the agricultural phases of the conservation, development, utilization, and disposal of water. Under section 4 (2), as amended, the Federal Government would continue to bear such part of the construction cost for providing capacity in structures for flood prevention as the Secretary determines to be equitable in consideration of anticipated benefits, and would bear that part of the construction cost for providing capacity in structures for purposes other than flood prevention that is applicable to the production of other than direct identifiable benefits. The authorization of loans up to \$5 million on any single plan for works of improvement will enable local organizations to finance their proper share of the cost of desirable improvements in certain cases where cash is not currently available. The provisions of Public Law 566 should, of course, be equally applicable to the States and to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 15, 1956.
Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
Senate Office Building,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This will reply to your letter of February 29, 1956, requesting the views of the Bureau of the Budget with respect to S. 3023, a bill to amend the Watershed Protection and Flood Prevention Act in order that a greater number of local organizations may qualify for assistance under the provisions of such act.

S. 3023 would amend the Watershed Protection and Flood Prevention Act (Public Law 566, 83d Cong.) so as to permit the Secretary of Agriculture to plan and carry out improvements for other than agricultural purposes; to eliminate the 5,000 acre-foot limitation on the total capacity of any structure; to prohibit the Secretary of Agriculture from requiring local organizations to assume any part of the construction cost of structural measures applicable to flood prevention; to eliminate the date of July 1, 1956, after which the Secretary of Agriculture may not enter into any contract for construction; to eliminate the requirement that benefits exceed costs; to authorize the Secretary to make long-term loans to local organizations; to extend the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands; and to broaden the application of the act in a number of other respects.

The Department of Agriculture, in its letters dated April 16, 1956, addressed to the Speaker of the House of Representatives, the President of the Senate, and the chairman of the committee on conference on H. R. 5881, submitted for consideration a "draft of bill to amend the Watershed Protection and Flood Prevention Act." This draft was developed by the Department of Agriculture in cooperation with other interested agen-

cies, and would enable that Department, under its established programs, to meet adequately the needs for the conservation of water resources and the expanding use of water.

The Bureau of the Budget recommends substitution of the Agriculture draft bill for the present provisions of S. 3023, and favors enactment of the bill if so amended.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant to the Director.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed a bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following bills and joint resolution, and they were signed by the Vice President:

H. R. 256. An act to amend the Bankruptcy Act with respect to the priority of debts owned by a bankrupt to workmen, servants, clerks, and certain salesmen;

H. R. 604. An act to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border in the Territory of Alaska, and for other purposes;

H. R. 1639. An act for the relief of Laura Olivera Miranda;

H. R. 1739. An act for the relief of William J. Bohner;

H. R. 1952. An act for the relief of Clarence Christensen;

H. R. 1711. An act for the relief of Leila Park;

H. R. 2325. An act for the relief of Joseph Santo;

H. R. 2712. An act for the relief of Emanuel Mathes;

H. R. 3561. An act to further amend the act of January 2, 1942, entitled "An Act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries";

H. R. 4127. An act to exempt courses leading to standard college degrees offered by nonprofit educational institutions of higher learning from the provisions of section 227 of the Veterans' Readjustment Assistance Act of 1952 prohibiting the enrollment of eligible veterans under that act when such courses have been in operation for less than 2 years;

H. R. 4152. An act for the relief of Maria Pintos and her daughter, Eugenia Pintos;

H. R. 4635. An act to authorize the Secretary of the Interior to transfer to Robert T. C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions;

H. R. 4899. An act for the relief of Helmut Klestadt;

H. R. 5417. An act to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps;

H. R. 5488. An act to authorize the sale of certain land in Alaska to Gilbert Henkens, Jr., star route, mile 17½, Anchorage, Alaska;

H. R. 6081. An act for the relief of Patricia May Stevens;

H. R. 6247. An act to amend subdivision a of section 66—unclaimed moneys—of the Bankruptcy Act, as amended, and to repeal subdivision b of section 66 of the Bankruptcy Act, as amended;

H. R. 6403. An act to amend title 18, entitled "Crimes and Criminal Procedure", of the United States Code, to provide a criminal sanction for the embezzlement or theft of the property of Indian tribal organizations;

H. R. 7121. An act to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station orders authorizing travel by commercial aircraft, and for other purposes;

H. R. 7552. An act to amend sections 220 and 221 (d) of the Hawaiian Homes Commission Act, 1920;

H. R. 7887. An act to authorize the commissioner of public lands to sell public lands under certain circumstances without public auction;

H. R. 7891. An act to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, Territory of Hawaii, for the relief of persons whose lands were destroyed by volcanic activity;

H. R. 7893. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 8226. An act to amend section 1 of the act of March 4, 1915, as amended (48 U. S. C., sec. 353);

H. R. 8265. An act relating to the use of storage space in the Buford Reservoir for the purpose of providing Gwinnett County, Ga., a regulated water supply;

H. R. 8617. An act to validate certain payments made to members and former members of the naval service;

H. R. 8940. An act relating to the use of storage space in the Hulah Reservoir to provide water for the city of Bartlesville, Okla.;

H. R. 8971. An act for the relief of Hamasasp Psakian, Mrs. Varsenick Psakian, and Nune Nona Psakian;

H. R. 9029. An act for the relief of John L. Hughes;

H. R. 9260. An act to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes;

H. R. 9265. An act to amend the Hawaiian Organic Act, as amended, relating to the audit of government (Territorial and county) accounts;

H. R. 9918. An act to authorize the Secretary of the Interior to negotiate and execute a contract with the Riverside Irrigation District, Ltd., of Idaho, relating to the rehabilitation of the district's works, and other matters;

H. R. 9947. An act for the relief of the estate of William Edward Wine;

H. R. 10088. An act for the relief of Rupert Walt;

H. R. 10111. An act to amend sections 657 and 1006 of title 18 of the United States Code in order to include certain savings and loan associations within its provisions;

H. R. 10679. An act granting the consent of Congress to the establishment by the States of Mississippi and Arkansas of a bi-State commission to investigate the possibilities of constructing a railroad bridge across the Mississippi River;

H. R. 10946. An act to provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958;

H. R. 10983. An act for the relief of P. R. Cox;

H. R. 11024. An act to amend the act entitled "An act relating to the compensation of commissioners for the Territory of Alaska," approved March 15, 1948 (62 Stat. 80) as amended by the act of July 12, 1952 (66 Stat. 592, 48 U. S. C. 116a);

H. R. 11254. An act to amend section 104, title 4, United States Code;

H. R. 11653. An act to increase the fees of witnesses in the United States courts and before United States commissioners, and for other purposes;

H. R. 11706. An act for the relief of Kim Chung Hi;

H. R. 11861. An act to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; and

H. J. Res. 642. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim certain property in Coahoma County, Miss., to the Home Demonstration Club of Rena Lara, Miss., Inc.

SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1957

The PRESIDING OFFICER. (Mr. GORE in the chair). The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is this not the second supplementary appropriation bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOUGLAS. Has the report of the Senate committee been submitted to the Senate?

Mr. JOHNSON of Texas. We are not taking up the bill at this time. It is a House bill.

The PRESIDING OFFICER. The bill has been referred to the Committee on Appropriations.

Mr. DOUGLAS. I shall serve notice now that I will require the usual 72 hours of waiting between the submission of the report of the Senate Committee on Appropriations and action on the bill by the Senate.

Mr. JOHNSON of Texas. I will say to the Senator from Illinois that we will comply with the provisions of the Reorganization Act, which calls for 3 days.

Mr. DOUGLAS. That is 72 hours.

Mr. JOHNSON of Texas. Not necessarily.

Mr. BENDER. Mr. President—

PAN AMERICAN GAMES

Mr. JOHNSON of Texas. I yield to the Senator from Ohio.

Mr. BENDER. Mr. President, in order to promote pan-American friendship, there was organized several years ago the Pan American Games Congress. This organization similar to the Olympics brings together every 4 years the finest athletes in North, Central, and South America.

These games were first held in Buenos Aires in Argentina in 1951, and in Mexico City, Mexico, in 1955, and the United States has been selected for the 1959 games in Cleveland, Ohio. Like all great athletic events of the Olympic type, many special facilities must be built to provide for the games and some \$10,300,000 is required to cover the finances necessary in connection with this event.

July 25, 1956

out the portion of the bill dealing with the channeling of Government procurement contracts into distressed areas (p. 13314).

13. FOOD RESERVE. Sen. Martin, Iowa, inserted his statement relating to the establishment of an international food and raw materials reserve under the U. N. p. 13111
14. ASC COMMITTEES. Sen. Symington inserted and discussed correspondence with the Secretary concerning the operations of the Missouri State ASC Committee. p. 13119
15. RECLAMATION. Sen. Morse inserted correspondence from a local Chamber of Commerce regarding the size of farm units in the Columbia Basin project. p. 13282
16. RESEARCH. Sen. Mundt inserted a statement by Rep. Jensen, Iowa, and himself concerning the utilization of grain alcohol in the manufacture of fuel used for motor vehicles. p. 13283
17. HOUSING. Passed with amendment H. R. 11742, to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, including provisions for farm housing loans and disposal of certain farm-labor camps. Conferees were appointed. p. 13294
18. FISHERIES. Sen. Neuberger inserted a telegram from a local outdoor group favoring S. 3275, the fisheries bill. p. 13322
19. FOREIGN AFFAIRS. Sen. Morse inserted an Oregon Farmer Union article, "Patton on Foreign Aid". p. 13283
Sen. Malone stated that free trade destroys American workingmen and investors. p. 13321
20. IMPORTS. The Finance Committee reported without amendment H. R. 12254, to provide additional time for the Tariff Commission to review the customs tariff schedules (S. Rept. 2780). p. 13069
21. EXECUTIVE PAY; RETIREMENT. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate-and House-passed versions of H. R. 7619, to adjust the rates of compensation of heads of executive departments and of certain other Federal officials". p. D884
22. TRANSPORTATION. The Interstate and Foreign Commerce Committee submitted a report, "Transportation Problems of Alaska and the Pacific Coast States" (S. Rept. 2802). p. 13070
23. LEGISLATIVE PROGRAM. Sen. Johnson announced that the Great Plains bill and Guar seed bills would be considered today (p. 13096). Agreed to waive the requirement that committee reports must lie over a day before being taken up (p. 13107).

HOUSE

24. FARM LOANS. Both Houses agreed to the conference report (see Digest 125) on H. R. 11544, to improve and simplify the credit facilities available to farmers and to amend the Bankhead-Jones Farm Tenant Act. This bill is now ready for the President. pp. 13231, 13293
25. WATERSHEDS. Both Houses agreed to the conference report on H. R. 8750, to amend the Watershed Protection and Flood Prevention Act. This bill is now ready for the President. pp. 13231, 13293
26. FOREIGN TRADE; SURPLUS COMMODITIES. Both Houses agreed to the conference report on S. 3903, to increase from \$1.5 billion to \$3 billion the authorization under title I of the Agricultural Trade Development and Assistance Act. This bill is now ready for the President. pp. 13232, 13293
27. FOREIGN AID. Conferees were appointed, and later the conference report was received on H. R. 12130, the mutual security appropriation bill for 1957. The conference report includes provisions: Appropriating \$250 million for development assistance, deleting Senate language continuing funds available until June 30, 1958; appropriating \$135 million for technical assistance (instead of \$140,500,000 as proposed by the Senate), and \$15,500,000 for U. N. technical assistance (instead of \$10 million as proposed by the House); appropriating \$2,500,000 for ocean freight charges (instead of \$1,400,000 as proposed by the House and \$3,000,000 as proposed by the Senate). (H. Rept. 2931). pp. 13124, 13253
28. HOUSING. Passed with amendment H. R. 11742, to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities. The amendment to H. R. 11742, consisted of inserting the language of H. R. 12328, a similar bill. p. 13130
29. WHEAT. Passed without amendment S. 4221, to extend the period of the International Wheat Agreement until July 31, 1959. This bill is now ready for the President. p. 13161
30. FLOOD INSURANCE. Passed with amendments S. 3732, to provide insurance against flood damages. Adopted an amendment offered by Rep. Dies to require States to contribute one-half of the cost of the program after June 30, 1959, and an amendment by Rep. Dodd to authorize the Administrator to fix the premium on the loans as well as to establish the premium on the insurance. p. 13212
31. PERSONNEL. Rep. Lesinski discussed the administration of the Federal employees' loyalty-security program and inserted a statement by M. E. Markwood, of the NFEE, suggesting a revision of this system. p. 13242
Received from the Treasury Department a report on operations of Federal agencies in connection with the bonding of employees; to the Post Office and Civil Service Committee. p. 13255
32. FORESTRY. Received and agreed to the conference report on H. R. 5712, to provide that the U. S. hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo Grant and a small area of public domain adjacent thereto (H. Rept. 2907). p. 13127
The Agriculture Committee reported with amendment H. R. 3436, to provide that sums paid to States from moneys received from national forests may be used

AUTHORIZING SECRETARY OF COMMERCE TO SELL CERTAIN WAR-BUILT VESSELS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 177 to authorize the Secretary of Commerce to sell certain war-built vessels.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That (a) notwithstanding the provisions of section 11 of the Merchant Ship Sales Act of 1946, as amended, and section 510 (h) of the Merchant Marine Act, 1936, as amended, the Secretary of Commerce is authorized to sell within 1 year after the enactment of this joint resolution to the highest responsible bidder who is a citizen of the United States, within the meaning of section 2 of the Shipping Act, 1916, as amended, for employment on essential trade routes 3 and 4 to Cuba and Mexico, any two war-built vessels under the jurisdiction of the Secretary of Commerce, on an as is, where is, basis, provided that the Secretary of Commerce shall determine before entering into such sales that the purchaser possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the vessels in service on that portion of essential trade routes 3 and 4 between Atlantic coast ports of the United States and Cuba and Mexico and to maintain adequate service on such portion of such routes. The upset prices of the vessels shall be their sales prices computed under the Merchant Ship Sales Act of 1946, as of January 15, 1951, depreciated (after reduction for residual value) on a straight line basis for the period from January 15, 1951, to the date of execution of the contract of sale, on the basis of the portion of a 20-year useful life of the vessels remaining after January 15, 1951.

(b) Each such sale shall be on the basis of the payment by the purchaser of not less than 25 percent of the vessel sales price at the time of execution of the vessel sales contract, with the balance payable in approximately equal annual installments over the remainder of the economic life of the vessel, which economic life is to be determined by the Maritime Administration, with interest on the portion of the vessel sales price remaining unpaid at the rate of 3½ percent per annum. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a preferred mortgage on the vessels in form satisfactory to the Maritime Administrator.

(c) (1) Such sales shall be made upon such conditions as the Secretary of Commerce deems necessary to protect the interests of the United States.

(2) Vessels sold under this act shall be employed exclusively as dry cargo common carriers on that portion of essential trade routes 3 and 4 between Atlantic coast ports of the United States and Cuba and Mexico, until the end of their useful lives, as determined under subsection (b) of this act, or until they are replaced by new tonnage, whichever happens first. These restrictions shall run at law and in equity with the titles to the vessels and are binding upon all subsequent owners.

(d) Any contract of sale executed under authority of this act shall provide that in the event the United States shall, through pur-

chase or requisition, acquire ownership of any such vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon); that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessel on the schedule adopted or accepted by the Secretary of the Treasury for income tax purposes as applicable to such vessel; that such vessel shall remain documented under the laws of the United States during the remainder of the economic life of the vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States, and documentation shall run with the title to such vessel and be binding on all owners thereof.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FARM LOAN PROGRAM

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 21, 1956.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 8750) to amend the watershed protection and flood prevention act, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 24, 1956.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ESTABLISHMENT OF COMMISSION FOR THE CELEBRATION OF THE 100TH ANNIVERSARY OF THE BIRTH OF THEODORE ROOSEVELT

Mr. FRAZIER submitted the following conference report and statement on the bill (S. 3386) to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt," approved July 28, 1955:

CONFERENCE REPORT (H. REPT. No. 2930)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3386) to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the one hundredth anniversary of the birth of Theodore Roosevelt," approved July 28, 1955, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

On line 8, strike out "\$461,000" and insert in lieu thereof "\$150,000"; and the House agree to the same.

JAMES B. FRAZIER, Jr.,
WILLIAM M. TUCK,
PATRICK J. HILLINGS,

Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
PRICE DANIEL,
ARTHUR V. WATKINS,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3386) to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the one hundredth anniversary of the birth of Theodore Roosevelt," approved July 28, 1955, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

S. 3386 authorizes the appropriation of funds for the Theodore Roosevelt Centennial Commission. As it passed the Senate it carried an authorization of \$461,000. The House of Representatives amended S. 3386 to reduce this sum to \$100,000. The managers on the part of the House recommend that the total authorization for the Theodore Roosevelt Centennial Commission be \$150,000, the sum agreed upon by the conferees.

JAMES B. FRAZIER, Jr.,
WILLIAM M. TUCK,
PATRICK J. HILLINGS,

Managers on the Part of the House.

Mr. FRAZIER. Mr. Speaker, I call up the conference report on the bill (S. 3386) to amend the joint resolution entitled "Joint resolution to establish a Commission for the Celebration of the 100th Anniversary of the Birth of Theodore Roosevelt," approved July 28, 1955, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS TO PUBLIC LAW 480, 83D CONGRESS

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (S. 3903) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 24, 1956.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MRS. WARREN D. COOPER AND HER SON, TEDDY DEVERE COOPER

Mr. FORRESTER. Mr. Speaker, I offer a resolution (H. Con. Res. 269) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 8008) for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper, the Clerk of the House is authorized and directed make the following correction:

On page 2, line 1 of the House engrossed bill, strike out the date "September 2, 1934" and insert "September 23, 1934"

The resolution was agreed to.

A motion to reconsider was laid on the table.

SAM H. RAY

Mr. FORRESTER. Mr. Speaker, I call up the conference report on the bill (H. R. 1637) for the relief of Sam H. Ray, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 21, 1956.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CLERK HIRE OF MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12354) relating to clerk hire of Members of the House of Representatives.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. LECOMPTE. Mr. Speaker, reserving the right to object, does that just apply to districts with a population in excess of 500,000?

Mr. THOMAS. Yes; it has been so changed. That is all this applies to.

Mr. LECOMPTE. Does it apply to Resident Commissioners and Delegates?

Mr. THOMAS. If they have in excess of 500,000.

Mr. LECOMPTE. I withdraw my reservation of objection, Mr. Speaker.

Mr. PATTERSON. Mr. Speaker, further reserving the right to object, does that also apply to a Congressman at Large?

Mr. THOMAS. Yes.

Mr. LECOMPTE. All Congressmen at Large?

Mr. THOMAS. No, just those that have 500,000 or over.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the first sentence of section 11 (a) of the Legislative Appropriation Act, 1956 (69 Stat. 509; Public Law 242, 84th Cong., 2 U. S. C. 60g-1), is amended by inserting immediately before the period at the end of such first sentence the following: "except that, in the case of each Member, Delegate, and Resident Commissioner the population of whose constituency is 500,000 or more, as currently estimated by the Bureau of the Census, such basic rate shall be increased by not to exceed \$2,500 per annum".

(b) The joint resolution entitled "Joint resolution providing for pay to clerks to Members of Congress and Delegates," approved January 25, 1923, as amended (2 U. S. C. 92), is amended by inserting immediately after "to be designated by each Member, Delegate, or Resident Commissioner" the following: "or, in the case of each Member, Delegate, and Resident Commissioner the population of whose constituency is 500,000 or more, as currently estimated by the Bureau of the Census, not to exceed the foregoing number increased by 1, to be designated by each such Member, Delegate, and Resident Commissioner, as the case may be."

(c) Applicable appropriations shall be available for the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. HERMAN E. MOSLEY

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1420) for the relief of Mr. and Mrs. Herman E. Mosley, as natural parents of Herman E. Mosley, Jr., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "\$5,579.25" and insert \$5,000."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PAUL H. SARVIS, SR.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3062) for the relief of Paul H. Sarvis, Sr., with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, strike out all after "June 21," down to and including line 14 and insert "1953."

Page 2, after line 14, insert:

"Sec. 2. The acceptance of the sum authorized to be paid by the first section of this act by the said Paul H. Sarvis, Sr., shall constitute a sale by him to the Commodity Credit Corporation of all his right, title, and interest in and to such seed; and Paul H. Sarvis, Sr., shall not be liable for any transportation, loading, or warehouse storage charges which may have accrued on or after such date with respect to such 5,000 pounds of seed."

Page 2, after line 14, insert:

"Sec. 3. No part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Amend the title so as to read: "An act for the relief of Paul H. Sarvis, Sr., and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I assume these have been cleared with the minority members of the committee?

Mr. FORRESTER. I have been so advised, yes.

Mr. MARTIN. Mr. Speaker, that being so, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CYRUS B. FOLLMER

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11207) for the relief of Cyrus B. Follmer, with a Senate amendment thereto, and concur in the Senate amendment.

AMENDMENT OF CERTAIN ADMINISTRATIVE PROVISIONS OF TARIFF ACT OF 1930—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I believe that the Senator from Virginia [Mr. BYRD] has a conference report on the customs simplification bill, House bill 6040. I ask that the report be submitted, so it may be considered by the Senate.

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6040) to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 21, 1956, p. 12654, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, the Senate receded on only 1 amendment, and the House receded on 12. So the conference report is practically the bill as it was passed by the Senate. It is a unanimous report by the conferees.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3903) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 24, 1956, pp. 13056-13057, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, the conferees agreed unanimously on the provisions of the conference report. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an explanation of the differences between S. 3903 as passed by the Senate and the conference substitute therefor.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

DIFFERENCES BETWEEN S. 3903 AS PASSED BY THE SENATE AND THE CONFERENCE SUBSTITUTE THEREFOR

1. The provision of S. 3903 (sec. 2) providing for the use of foreign currencies generated under title I for American schools, libraries, and community centers abroad has been modified in technical respects (1) to conform to changes made in Public Law 480 by the Mutual Security Act of 1956 and (2) to meet parliamentary objections in the House. No change in substance was made in this provision.

2. The Senate bill would have modified section 304 of Public Law 480 so as to restrict it to title I transactions and permit barter with Iron Curtain satellites. The House amendment would have modified it to make it clear that barter with such countries is prohibited. The conference substitute omits both the House and Senate provisions and leaves the law unchanged.

3. The conference substitute extends the famine and urgent relief provisions of title II to provide assistance in meeting extraordinary relief requirements, such as those for refugee relief, which may be extraordinary although no longer urgent.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

CREDIT FACILITIES AVAILABLE TO FARMERS—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 21, 1956, pp. 12657-12658, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, the conferees were unanimous in their decision. I ask unanimous consent to have printed in the RECORD at this point an explanation of the differences between the conference substitute and the Senate amendment to House bill 11544.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

DIFFERENCES BETWEEN THE CONFERENCE SUBSTITUTE AND THE SENATE AMENDMENT TO H. R. 11544

1. The House bill and the Senate amendment contained language restricting farm ownership and operating loans on less than family-size farms to bona fide farmers, but defined bona fide farmers somewhat differ-

ently. The conference substitute generally follows the House bill in this respect, but substitutes historical residence on a farm and historical dependence on farm income for dependence during 1 of the last 10 years on farm income.

2. The Senate amendment would have limited farm ownership refinancing loans on less than family-size farms to loans to refinance indebtedness constituting a lien on the farm. The conference substitute would permit such loans to refinance indebtedness incurred for any agricultural purpose.

3. The Senate amendment would have prohibited farm ownership or operating loans to borrowers able to obtain loans from other sources at "reasonable rates." The conference substitute leaves the existing law unchanged. Existing law prohibits such loans if obtainable elsewhere at prevailing rates but not in excess of 5 percent. The conferees felt the existing law to be adequate to assure that such loans will be restricted to other than the well-to-do farmers.

4. The Senate amendment would have permitted loans to be made on family-size farms having a value in excess of the average value of efficient family-size farms in the community. The conference substitute would permit improvement loans to be made for such farms, but not acquisition or enlargement loans.

5. The conference substitute would extend the economic emergency loan authority of Public Law 727, 83d Congress for 2 years and increase the overall limitation on such authority to \$65 million. The Senate amendment contained no similar provision, the Senate having previously passed S. 3559, to provide for a similar extension and to increase the limitation to \$50 million.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT—CONFERENCE REPORT

Mr. KERR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 24, 1956, pp. 13055-13056, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, was the conference report signed by all the conferees?

Mr. KERR. It was. I will say to the Senator from California that the provisions agreed upon in conference were substantially in line with the spirit of the bill as passed by the Senate.

There were three principal changes. First, the Senate bill had provided that in certain instances plans should be submitted to the Public Works Committees of the House and Senate. In the bill as

passed by the House, it was provided that the plans be referred to the Agriculture Committees of the House and Senate.

It was agreed in conference—and certain specifications were agreed upon—that when the plan was predominantly a flood control plan, it be referred to the Public Works Committee, and when it was predominantly an agricultural plan, it be referred to the Agriculture Committees.

An effort was made to make especially clear the intent of the language as provided by the Senate, which permitted the local organization to have the optional right of employing engineering services in connection with plans for development. Where the structure for the impounding of water exceeded 5,000 acre-feet—in other words, when it became a structure which involved a considerable part of the program in the matter of conservation of water for municipal water supplies or irrigation—the privilege of employing local engineering services was made optional.

The other point, as I recall, was to clarify the language in the bill which specified that help was available to the local organization from the Secretary of Agriculture, in the preparation of specifications for the plan. The employment of necessary assistance in preparing advertisements for bids and entering into contracts for carrying out the structure as planned, was provided for.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. AIKEN. Mr. President, let me say for the RECORD that both the Department of Agriculture and the Bureau of the Budget are opposed to this bill, although it was not generally known at the time it was passed by the Senate last Saturday morning.

Yesterday I had inserted in the RECORD, at page 12967, correspondence from these two agencies of the Government, setting forth their opposition to the bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXTENSION OF TIME WITHIN WHICH AWARDS OF CERTAIN MILITARY AND NAVAL DECORATIONS MAY BE MADE—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1637) to extend the time limit within which awards of certain military and naval decorations may be made. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. STENNIS. Mr. President, the conference report is signed by all the conferees on the part of the Senate and the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

IMPROVEMENT OF HOUSING AND CONSERVATION AND DEVELOPMENT OF URBAN COMMUNITIES

Mr. FULBRIGHT. Mr. President, I ask that the Chair lay before the Senate a hand engrossed copy of House bill 11742, which has just come over from the House of Representatives.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 11742) to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, and for other purposes, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, I offer an amendment in the nature of a substitute. I ask that the amendment be printed in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, the amendment may be printed in the RECORD at this point without reading.

The amendment offered by Mr. FULBRIGHT, in the nature of a substitute, was to strike out all after the enacting clause and insert:

Be it enacted, etc., That this act may be cited as the "Housing Amendments of 1956."

TITLE I—FHA INSURANCE PROGRAMS

PROPERTY IMPROVEMENT LOANS

SEC. 101. (a) Section 2 (a) of the National Housing Act, as amended, is hereby amended by striking out "September 30, 1956," and inserting in lieu thereof "September 30, 1959."

(b) Section 2 (b) of such act, as amended, is amended by—

(1) striking out "made for the purpose of financing the alteration, repair, or improvement of existing structures exceeds \$2,500, or for the purpose of financing the construction of new structures exceeds \$3,000" and inserting "exceeds \$3,500";

(2) striking out "except that" in clause (2) and inserting "except that the Commissioner may increase such maximum limitation to 5 years and 32 days if he determines such increase to be in the public interest after giving consideration to the general effect of such increase upon borrowers, the building industry, and the general economy, and"; and

(3) striking out the first proviso and inserting in lieu thereof the following: "Provided, That no insurance shall be granted under this section (A) in the case of any obligation in a principal amount of \$2,500 or less, representing any loan, advance of credit, or purchase made after the effective date of the Housing Amendments of 1956, if such obligation has a financing charge in excess of an amount equivalent to \$5 discount per \$100 original face amount of a 1-year note to be paid in equal monthly installments calculated from the date of the note, or (B) in the case of any such obligation in a

principal amount in excess of \$2,500, if such obligation has a financing charge in excess of (1) an amount equivalent to \$5 discount per \$100 original face amount of a 1-year note to be paid in equal monthly installments calculated from the date of the note, with respect to that part of the principal amount not in excess of \$2,500, and (11) an amount equivalent to \$4 discount per \$100 original face amount of a 1-year note to be paid in equal monthly installments calculated from the date of the note, with respect to that part of the principal amount which is in excess of \$2,500: *Provided further*, That such charges correctly based on tables of calculations issued by the Commissioner, or adjusted to eliminate minor errors in computations in accordance with requirements of the Commissioner, shall be deemed to comply with the preceding proviso: *And provided further*, That insurance may be granted to any such financial institution with respect to any obligation not in excess of \$15,000 (nor an average amount of \$2,500 per family unit), having a maturity not in excess of 7 years and 32 days, representing any such loan, advance of credit, or purchase made by it if such loan, advance of credit, or purchase is made for the purpose of financing the alteration, repair, improvement, or conversion of an existing structure used or to be used as an apartment house or a dwelling for two or more families."

HAZARD INSURANCE ON FHA ACQUIRED PROPERTIES

SEC. 102. Title I of the National Housing Act, as amended, is hereby amended by adding at the end thereof the following new section:

"SEC. 10. Notwithstanding any other provision of law, the Commissioner is hereby authorized to establish a Fire and Hazard Loss Fund which shall be available to provide such fire and hazard risk coverage as the Commissioner, in his discretion, may determine to be appropriate with respect to real property acquired and held by him under the provisions of this act. For the purpose of operating such fund, the Commissioner is authorized in the name of the fund to transfer moneys and require payment of premiums or charges from any one or more of the several insurance funds established by this act and from the account established pursuant to section 2 (f) of this act, in such amounts and in such manner, including any repayments of such moneys, as the Commissioner, in his discretion, shall determine. In carrying out the authority created by this section, the Commissioner and the Fire and Hazard Loss Fund shall be exempt from all taxation, assessments, levies, or license fees now or hereafter imposed by the United States, by any Territory or possession thereof, or by any State, county, municipality, or local taxing authority. Moneys in the Fire and Hazard Loss Fund not needed for current operations of the fund shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States or in bonds or other obligations which are lawful investments for fiduciary, trust, and public funds of the United States.

"Notwithstanding the provisions of this section, the Commissioner is authorized to purchase such other insurance protection as he may, in his discretion, determine, and he may further provide for reinsurance of any risk assumed by the Fire and Hazard Loss Fund."

COOPERATIVE HOUSING INSURANCE

SEC. 103. Section 213 (b) (2) of the National Housing Act, as amended, is amended by—

(1) striking out "65 percent" and inserting in lieu thereof "50 percent"; and

(2) amending the last proviso to read as follows: "And provided further, That for the purposes of this section the word 'veteran'

Public Law 1018 - 84th Congress

Chapter 1027 - 2d Session

H. R. 8750

AN ACT

All 70 Stat. 1088.

To amend the Watershed Protection and Flood Prevention Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Watershed Protection and Flood Prevention Act (68 Stat. 666) is amended as follows: Watershed Protection and Flood Prevention Act, amendments.

(a) Amend the second and third sentences of section 2 to read as follows: "Works of improvement"—any undertaking for— 16 USC 1001 note.

"(1) flood prevention (including structural and land treatment measures) or

"(2) the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of floodwater detention capacity, and more than twenty-five thousand acre-feet of total capacity. No appropriation shall be made for any plan involving an estimated Federal contribution to construction costs in excess of \$250,000, or which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the appropriate committees of the Senate and House of Representatives: *Provided*, That in the case of any plan involving no single structure providing more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives and in the case of any plan involving any single structure of more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively."

(b) Amend section 3 by striking out clause (2), and inserting in lieu thereof the following:

"(2) to prepare plans and estimates required for adequate engineering evaluation;

"(3) to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;"

and by renumbering clauses (3) and (4) as (4) and (5) respectively.

(c) Amend clause (2) of section 4 to read as follows:

"(2) assume (A) such proportionate share, as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits, of the costs of installing any works of improvement, involving Federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water, and (B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this Act;"

(d) Add after the word "landowners" in clause (4) in section 4, the words "or water users". 16 USC 1004.

(e) Strike out the word "and" at the end of clause (4) in section 4; strike out the period at the end of clause (5) and insert in lieu thereof a semicolon and the word "and"; and after clause (5) insert a new clause as follows:

"(6) submit a plan of repayment satisfactory to the Secretary for any loan or advancement made under the provisions of section 8."

16 USC 1005.
Works of im-
provement.

(f) Amend section 5 to read as follows:

"SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization with such assistance as it may request from the Secretary, which assistance the Secretary is hereby authorized to give, shall secure engineering and other services, including the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, and in order to properly carry out such services in such projects as to such structures therein providing for municipal or industrial water supplies, the local organization shall, and in such projects not providing for municipal or industrial water supplies, the local organization may, retain or employ a professional engineer or engineers satisfactory to the Secretary, and the Secretary shall reimburse the local organization for the cost it may incur for the services of such engineer or engineers as is properly chargeable to such works of improvement, except that if the local organization decides not to retain or employ a professional engineer or if the Secretary determines that competent engineering services are not available he may contract for a competent engineer to provide such services or arrange for employees of the Federal Government to provide such services: *Provided*, That at the request of the local organization which retains or employs a professional engineer or engineers as aforesaid, the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated total cost of such works: *Provided further*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: *Provided further*, That whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan involving an estimated Federal contribution to construction costs in excess of \$250,000 or containing any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of

Transmittal
of plan to
Congress.

Agriculture prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies including the Department of the Interior and the Department of the Army."

Rules and regulations.

(g) After section 7 insert the following two new sections and renumber subsequent sections of the Act to conform:

"SEC. 8. The Secretary is authorized to make loans or advancements to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act. Such loans or advancements shall be made under contracts or agreements which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor callable for redemption for fifteen years from date of issue. With respect to any single plan for works of improvement, the amount of any such loan or advancement shall not exceed five million dollars.

Loans to local organizations.

"SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

Applicability of Act.

SEC. 2. The amendments made by this Act shall be applicable to all works of improvement and plans for such works under the provisions of the Watershed Protection and Flood Prevention Act. Any plans for works of improvement with respect to which the Secretary of Agriculture was authorized prior to the date of this Act to participate in the installation of works of improvement in accordance with such plan, or any plan for works of improvement which has received prior to the date of this Act the approval of congressional committees, as required by such Act, need not be submitted to the congressional committees as required by the Watershed Protection and Flood Prevention Act as amended by this Act.

Approved August 7, 1956.

August 7, 1956

Murray Snyder, Acting Press Secretary to the President

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have today approved H. R. 8750, a bill "To amend the Watershed Protection and Flood Prevention Act." This new law broadens the program now being carried out by the Secretary of Agriculture in cooperation with local organizations sponsoring land and water conservation projects. The general purposes of the new law are useful and in keeping with the concern which this Administration has continually expressed as to the need for a partnership between the Federal Government and the local people in conserving two of our most valuable resources -- soil and water.

I regret that in one respect the new law is a step backwards. Under its terms the Federal Government will be required to assume the full cost of building structural works which provide flood reduction benefits. The Department of Agriculture and other Executive agencies opposed this provision when the bill was under consideration by the Congress. I agree that their opposition was well founded. It is unfortunate that the Congress has chosen to write into the law an incentive to local people to shift to the Federal Government a burden in which they should be willing to invest their own money in a joint enterprise with the Federal Government. Fortunately, the immediate effects of this provision will not be great. I am convinced of the soundness of the partnership philosophy and of public acceptance of the principle of cost sharing on public works projects. I believe that, upon consideration of legislation which will be proposed to carry out the recommendations of the Presidential Advisory Committee on Water Resources Policy, the Congress will agree and will change this feature of the law. I shall so recommend when the Congress is again in session.

